

Marcus Evans (CR) Limited

Registered number: 03344280

Directors' report and financial statements

For the year ended 30 September 2015

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MARCUS EVANS (CR) LIMITED

COMPANY INFORMATION

Directors	D Gilmore M Van Os A Quazi
Company secretary	M P Studd
Registered number	03344280
Registered office	101 Finsbury Pavement London EC2A 1RS
Independent auditor	Mazars LLP Chartered Accountants Tower Bridge House St Katharine's Way London E1W 1DD

MARCUS EVANS (CR) LIMITED

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MARCUS EVANS (CR) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015

Principal activity

The principal activity of the company was that of the management and organisation of conferences, and arranging conferences on behalf of other group companies.

Business review

Turnover has decreased by 13% in the company's local currency, Czech Koruna, and 15% in Sterling, as presented in the profit and loss account. The decrease in turnover is due to a decrease in the number of events held during the year. The gross profit margin has decreased from 17% to 8% due to the effects of the difficult market.

Financial key performance indicators

The director considers the key performance indicators of the company to be the number of attendees or delegates per event and the number of events held. The director considers that the number of attendees and delegates per event and number of events held is in line with expectations of management.

Principal risks and uncertainties

The director considers the key risks and uncertainties to be:

- the decreasing demand for events as a result of the difficult market conditions and reductions in corporate spending; and
- the ability to replace and create new events and continue to generate revenues and maintain margins.

Financial risk management

The company is exposed to a variety of financial risks that include credit risks, interest rate risk, foreign exchange risk and liquidity risk.

Credit risk:

The company has exposure to credit risk in relation to its trade debtor and intercompany debtor balances. The risks are mitigated by credit checks on trade debtors, and guarantees from the ultimate parent company and controlling shareholder.

Interest rate risk:

The company has interest rate bearing assets. Interest bearing assets include only cash balances that earn interest based on prevailing bank rates.

Foreign exchange risk:

The company is exposed to fluctuations in the exchange rate of the Czech Koruna and the Euro against Sterling. It is the company's policy not to take out instruments to hedge against exchange rate movements.

Liquidity risk:

The company has net liabilities. The director prepares the financial statements on the going concern basis as the company has the support of its ultimate parent company and its controlling shareholder.

This report was approved by the board on 24-6-2016 and signed on its behalf.

.....
M Van Os
Director

MARCUS EVANS (CR) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015

The directors present their report and the audited financial statements for the year ended 30 September 2015.

Matters covered in the Strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Director's Report have been omitted as they are included in the Strategic Report on page 1. These matters relate to the principal activity, business review, key performance indicators, principal risks and uncertainties and financial risk management.

Directors

The directors who served during the year were:

K Mallon (appointed 15 September 2015, resigned 11 April 2016)
M P Studd (resigned 11 April 2016)
A Quazi (appointed 15 September 2015)

On 11 April 2016, M Van Os and D Gilmore were appointed as directors of the company.

Future developments

The company provides many products that will assist an organisation in developing its strategies and enable growth. We aim to meet all client strategic business information requirements through the delivery of premium products and services by way of a variety of media. We continue maintaining the highest standards of quality and service in research, technology and product development. In addition, an ongoing extensive analysis into our clients' business needs and innovation is vital in order to provide the information required for the clients' future success.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

MARCUS EVANS (CR) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditor

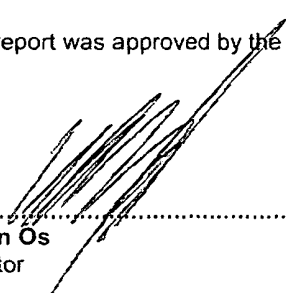
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


.....
M Van Os
Director

Date: 29-6-2016

MARCUS EVANS (CR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCUS EVANS (CR) LIMITED

We have audited the financial statements of Marcus Evans (CR) Limited for the year ended 30 September 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

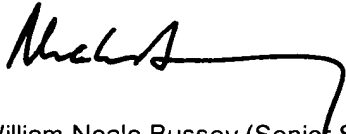
MARCUS EVANS (CR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCUS EVANS (CR) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



William Neale Bussey (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 30 JUNE 2016

MARCUS EVANS (CR) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Note	2015 £	2014 £
Turnover	1,2	1,354,331	1,589,537
Cost of sales		<u>(1,179,458)</u>	<u>(1,315,131)</u>
Gross profit		174,873	274,406
Administrative expenses		<u>(376,771)</u>	<u>(352,358)</u>
Operating loss	3	(201,898)	(77,952)
Interest receivable and similar income		16	8
Interest payable and similar charges		<u>-</u>	<u>(22)</u>
Loss on ordinary activities before taxation		(201,882)	(77,966)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
Loss for the financial year	10	<u><u>(201,882)</u></u>	<u><u>(77,966)</u></u>

All amounts relate to continuing operations.

The notes on pages 9 to 15 form part of these financial statements.

MARCUS EVANS (CR) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 SEPTEMBER 2015

		2015 £	2014 £
Loss for the financial year	10	(201,882)	(77,966)
Foreign currency translation differences on retranslation of net liabilities of overseas branch	10	<u>28,206</u>	<u>144,908</u>
Total recognised gains and losses relating to the year		<u>(173,676)</u>	<u>66,942</u>

The notes on pages 9 to 15 form part of these financial statements.

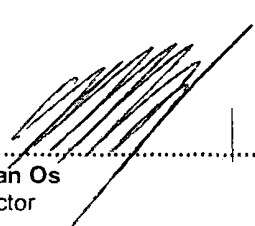
MARCUS EVANS (CR) LIMITED

Registered number: 03344280

**BALANCE SHEET
AS AT 30 SEPTEMBER 2015**

	Note	£	2015 £	£	2014 £
Current assets					
Debtors	7	35,923		5,825,566	
Cash at bank and in hand		<u>102,179</u>		<u>126,840</u>	
		138,102		5,952,406	
Current Liabilities					
Creditors	8	(926,940)		(6,927,072)	
Deferred income		<u>(71,557)</u>		<u>(91,635)</u>	
		(998,497)		(7,018,707)	
Net current liabilities			<u>(860,395)</u>		<u>(1,066,301)</u>
Total assets less current liabilities			<u>(860,395)</u>		<u>(1,066,301)</u>
Capital and reserves					
Called up share capital	9		1,000		1,000
Foreign exchange reserve	10		49,656		21,450
Capital contribution	10		379,582		-
Profit and loss account	10		<u>(1,290,633)</u>		<u>(1,088,751)</u>
Shareholders' deficit	11		<u>(860,395)</u>		<u>(1,066,301)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
M Van Os
Director

Date: 29-6-2016

The notes on pages 9 to 15 form part of these financial statements.

MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The accounting records of the company are maintained in Czech Koruna and translated into Sterling for statutory financial reporting purposes.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The company incurred losses in the current and prior year, has net current liabilities and net liabilities, and is dependent upon its ultimate parent company and/or controlling shareholder for funding. The company will remain dependent upon this funding until such a time as it has generated enough cash through profitable trading to enable it to meet its liabilities as and when they fall due. The ultimate parent company and controlling shareholder have each confirmed to the directors their current intention to continue to provide funding to enable the company to meet its liabilities as they fall due for the foreseeable future. The directors have therefore prepared the financial statements on a going concern basis.

Should such funding from the ultimate parent company and/or controlling shareholder not be forthcoming, the going concern basis of preparation may no longer be appropriate, and significant adjustments may be required to these financial statements.

1.3 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue in respect of the company's principal activity, being management and organisation of conferences, is recognised at conference completion until which point amounts invoiced are recorded as deferred income.

1.5 Event related expenses

Directly attributable event expenses are recognised in the year which the event has been completed. Expenses that relate to an event taking place in the subsequent financial year but paid prior to the year end are recorded as prepayments in the balance sheet.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 20% or 25% straight line
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MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

1.7 Impairment

At the balance sheet date, the company reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Foreign currencies

Monetary assets and liabilities denominated in currencies other than Czech Koruna are translated into Czech Koruna at rates of exchange ruling at the balance sheet date. Transactions in currencies other than Czech Koruna are translated into Czech Koruna at the rate ruling on the date of the transaction.

At the year end, the financial statements are translated from the local currency of Czech Koruna to the presentational currency of Sterling at the year end rate. Exchange gains and losses arising on the translation of the opening balance sheet are recognised as a movement in equity in the foreign exchange reserve. All other exchange gains and losses are recognised in the Profit and Loss Account.

2. Turnover

The company has taken advantage of the exemption to disclose the analysis of turnover by geographical market on the basis that it is prejudicial to the company's interests as provided by the Companies Act 2006 and S12008 No. 410.

MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

3. Operating loss

The operating loss is stated after charging:

	2015 £	2014 £
Operating lease rentals:		
- land and buildings	73,050	77,730
Difference on foreign exchange	<u>4,122</u>	<u>44,785</u>

During the year, no director received any emoluments in respect of services to the company (2014 - £NIL).

The remuneration of the auditor is borne by the group company, Marcus Evans Limited, a company registered in England and Wales.

4. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	494,952	574,709
Commissions payable	172,670	174,869
Social security costs	229,211	248,530
	<u>896,833</u>	<u>998,108</u>

Commissions paid during the year, and which have been deferred as an event related expense, amount to £12,379 (2014: £15,853). These amounts are included in staff costs above, but are not included in profit and loss account for the year. During the year, commission of £15,853 (2014: £17,786) has been recognised in the profit and loss account relating to commissions paid in previous years for events for which the revenue has been recognised during the year.

The average monthly number of employees, including the director, during the year was as follows:

	2015 No	2014 No
Administration and management	6	6
Sales	55	73
Total	<u>61</u>	<u>79</u>

MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

5. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.5% (2014 - 22%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(201,882)</u>	<u>(77,966)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2014 - 22%)	(41,386)	(17,153)
Effects of:		
Expenses not deductible for tax purposes	1,036	12
Capital allowances for the year in excess of depreciation	(787)	(1,312)
Tax losses carried forward	41,137	18,453
	<u>-</u>	<u>-</u>
Current tax charge for the year (see note above)		

Factors that may affect future tax charges

The UK corporation tax rate was reduced from 21% to 20% on 1 April 2015 and the average corporation tax rate for the year ended 30 September 2015 was 20.5%.

There will be further reductions in the main corporation tax rate to 19% from 1 April 2017, and 18% from 1 April 2020. These reduced rates have been substantively enacted on 26 October 2015 and have therefore not been considered when calculating deferred tax at the Balance Sheet date of 30 September 2015.

The company has tax losses of approximately £1,166,000 (2014: £967,000) available to offset against future profits. A deferred tax asset has not been recognised due to the uncertainty over the company making future taxable profits against which these losses would be offset.

MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

6. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 October 2014	245,671
Foreign exchange movement	<u>(10,068)</u>
At 30 September 2015	<u>235,603</u>
Depreciation	
At 1 October 2014	245,671
Foreign exchange movement	<u>(10,068)</u>
At 30 September 2015	<u>235,603</u>
Net book value	
At 30 September 2015	<u><u>-</u></u>
At 30 September 2014	<u><u>-</u></u>

7. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	-	5,788,037
Other debtors	8,430	5,142
Prepayments and accrued income	27,493	32,387
	<u>35,923</u>	<u>5,825,566</u>

8. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	12,768	21,540
Amounts owed to group undertakings	811,555	6,770,258
Other taxation and social security	30,375	33,546
Other creditors	46,135	66,959
Accruals	26,107	34,769
	<u>926,940</u>	<u>6,927,072</u>

MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

9. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
1,000- Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

10. Reserves

	Foreign exchange reserve £	Capital contribution £	Profit and loss account £
At 1 October 2014	21,450	-	(1,088,751)
Loss for the year	-	-	(201,882)
Foreign currency translation differences on retranslation of net liabilities of overseas branch	28,206	-	-
Capital contribution in the year	-	379,582	-
	<u>49,656</u>	<u>379,582</u>	<u>(1,290,633)</u>
At 30 September 2015			

On 1 October 2014, ME Holdings (IOM) Limited made capital contributions to the company.

11. Reconciliation of movement in shareholders' deficit

	2015 £	2014 £
Opening shareholders' deficit	(1,066,301)	(1,133,243)
Loss for the financial year	(201,882)	(77,966)
Foreign currency translation differences on retranslation of net liabilities of overseas branch	28,206	144,908
Capital contribution in the year	<u>379,582</u>	<u>-</u>
Closing shareholders' deficit	<u>(860,395)</u>	<u>(1,066,301)</u>

MARCUS EVANS (CR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

12. Operating lease commitments

At 30 September 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	<u>58,104</u>	<u>55,720</u>

13. Control

The company's immediate parent company is Marcus Evans (UK Holdings) Limited, a company registered in England and Wales.

The company's ultimate parent company is Marcus Evans Worldwide Holdings (IOM) Limited, a company registered in the Isle of Man.

The company's ultimate controlling party is Mr M P B Evans by virtue of his interest in the entire issued share capital of Marcus Evans Worldwide Holdings (IOM) Limited.

The parent company of the smallest and largest group of which the company is a member and for which group accounts are prepared is Marcus Evans (UK Holdings) Limited. Copies of its consolidated accounts are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ, Wales.

14. Related party transactions

The company is part of an international network of companies, under common ownership and control of Mr M P B Evans, organising hospitality and conference events.

The company is a wholly owned subsidiary of Marcus Evans Worldwide Holdings (IOM) Limited, and utilises the exemptions contained in Financial Reporting Standard 8, Related Party Disclosures, not to disclose any transactions or balances with entities which are wholly owned members of that group.