

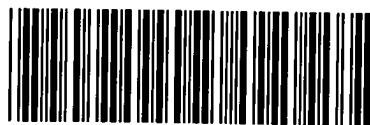
# **Marcus Evans (North America) Limited**

Registered number: 05569262

## **Annual Report**

**For the year ended 30 September 2017**

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# MARCUS EVANS (NORTH AMERICA) LIMITED

## COMPANY INFORMATION

<b>Directors</b>	M Van Os T Burraway
<b>Secretary</b>	M P Studd
<b>Registered number</b>	05569262
<b>Registered office</b>	101 Finsbury Pavement London EC2A 1RS
<b>Independent auditor</b>	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

# **MARCUS EVANS (NORTH AMERICA) LIMITED**

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# MARCUS EVANS (NORTH AMERICA) LIMITED

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017**

The directors present their report and the financial statements for the year ended 30 September 2017.

### **Principal activity**

The principal activity of the company is that of the management and organisation of conferences, arranging conferences on behalf of other group companies and providing corporate hospitality at sporting events, through a branch in Canada.

### **Results and dividends**

The loss for the year, after taxation, amounted to £27,137 (2016 - profit £7,108).

The directors do not propose an interim or final dividend in respect of the current year.

### **Directors**

The directors who served during the year were:

M Van Os  
D Gilmore (resigned 19 February 2018)  
S Drago (resigned 27 January 2018)  
T Burraway

### **Directors' responsibilities statement**

The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements 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.

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 to 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.

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## MARCUS EVANS (NORTH AMERICA) LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

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#### Disclosure 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 the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the 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.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



.....  
M Van Os  
Director

Date: 29-6-2018

# MARCUS EVANS (NORTH AMERICA) LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCUS EVANS (NORTH AMERICA) LIMITED

### Opinion

We have audited the financial statements of Marcus Evans (North America) Limited (the 'company') for the year ended 30 September 2017 which comprise the Statement of Total Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# **MARCUS EVANS (NORTH AMERICA) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCUS EVANS (NORTH AMERICA) LIMITED**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCUS EVANS (NORTH AMERICA) LIMITED

### Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

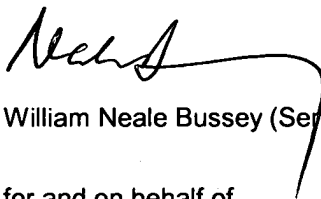
### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

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.



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: 29 JUNE 2018



# MARCUS EVANS (NORTH AMERICA) LIMITED

## STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Turnover	4	2,126,145	1,946,355
Cost of sales		(1,973,926)	(1,887,562)
<b>Gross profit</b>		<u>152,219</u>	<u>58,793</u>
Administrative expenses		(179,717)	(50,791)
<b>Operating (loss)/profit</b>	5	<u>(27,498)</u>	<u>8,002</u>
Interest payable and similar charges		(1,215)	(894)
<b>(Loss)/profit before tax</b>		<u>(28,713)</u>	<u>7,108</u>
Tax on (loss)/profit	8	1,576	-
<b>(Loss)/profit for the financial year</b>		<u>(27,137)</u>	<u>7,108</u>
<b>Other comprehensive income for the year</b>			
Foreign currency translation differences on retranslation of net liabilities of overseas branch		(3,277)	(23,802)
<b>Other comprehensive income for the year</b>		<u>(3,277)</u>	<u>(23,802)</u>
<b>Total comprehensive income for the year</b>		<u>(30,414)</u>	<u>(16,694)</u>

The notes on pages 10 to 21 form part of these financial statements.

**MARCUS EVANS (NORTH AMERICA) LIMITED**  
**REGISTERED NUMBER: 05569262**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	9	35,334	61,010
		<u>35,334</u>	<u>61,010</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	46,679	46,321
Cash at bank and in hand		339,210	117,381
		<u>385,889</u>	<u>163,702</u>
Creditors: amounts falling due within one year		(586,925)	(330,618)
Deferred income		(13,152)	(42,534)
		<u>(599,077)</u>	<u>(372,152)</u>
<b>Net current liabilities</b>		<u>(214,188)</u>	<u>(209,450)</u>
<b>Total assets less current liabilities</b>		<u>(178,854)</u>	<u>(148,440)</u>
<b>Net liabilities</b>		<u>(178,854)</u>	<u>(148,440)</u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Foreign exchange reserve		(25,117)	(21,840)
Profit and loss account		(153,738)	(126,601)
		<u>(178,854)</u>	<u>(148,440)</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

29-6-2018

M Van Os  
 Director

The notes on pages 10 to 21 form part of these financial statements.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
<b>At 1 October 2015</b>	1	1,962	(133,709)	(131,746)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	7,108	7,108
Foreign currency translation differences on retranslation of net liabilities of overseas branch	-	(23,802)	-	(23,802)
<b>At 1 October 2016</b>	1	(21,840)	(126,601)	(148,440)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(27,137)	(27,137)
Foreign currency translation differences on retranslation of net liabilities of overseas branch	-	(3,277)	-	(3,277)
<b>At 30 September 2017</b>	1	(25,117)	(153,738)	(178,854)

The notes on pages 10 to 21 form part of these financial statements.

### Reserves

#### *Foreign exchange reserve*

This reserve represents the cumulative foreign currency difference on retranslation of net liabilities of the overseas branch.

#### *Profit and loss account*

This reserve represents cumulative profits and losses of the company.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2017

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(27,137)	7,108
<b>Adjustments for:</b>		
Depreciation of tangible assets	34,322	29,749
Interest paid	1,215	894
Taxation credit	(1,576)	-
(Increase) in debtors	(358)	(12,635)
(Decrease) in creditors	(67,695)	(21,562)
Increase in amounts owed to group undertakings	294,620	10,326
Corporation tax received	1,576	-
<b>Net cash generated from operating activities</b>	<b>234,967</b>	<b>13,880</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(7,288)	(7,544)
<b>Net cash from investing activities</b>	<b>(7,288)</b>	<b>(7,544)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,215)	(894)
<b>Net cash used in financing activities</b>	<b>(1,215)</b>	<b>(894)</b>
<b>Net increase in cash and cash equivalents</b>	<b>226,464</b>	<b>5,442</b>
Cash and cash equivalents at beginning of year	117,381	147,050
Foreign exchange gains and losses	(4,635)	(35,111)
<b>Cash and cash equivalents at the end of year</b>	<b>339,210</b>	<b>117,381</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	339,210	117,381
	<b>339,210</b>	<b>117,381</b>

The notes on pages 10 to 21 form part of these financial statements.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 1. General information

Marcus Evans (North America) Limited ("the company") is a private company limited by shares, registered in England and Wales. The address of its registered office is 101 Finsbury Pavement, London, EC2A 1RS.

The company's functional currency is the Canadian Dollar, being the currency of the primary economic environment in which the company operates, and its presentational currency is the Pound Sterling.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and applicable legislation, as set out in the Companies Act 2006.

#### 2.2 Going concern

The financial statements have been prepared on a going concern basis. The company 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 underwrite amounts recoverable by the company from other group companies, and 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.

#### 2.3 Revenue

Revenue arises from the provision of services in respect of management and arrangement of conferences. Revenue is measured at the fair value of the consideration received or receivable and represents amounts for the provision of services in the normal course of business, net of discounts and other sales-related taxes.

Revenue is recognised at the completion of the conference, until which point the amounts invoiced are recorded as a deferred income.

#### 2.4 Event related expenses

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

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 2. Accounting policies (continued)

#### 2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land and buildings	- Shorter of the lease term and its useful life
Fixtures, fittings and equipment	- 20-25% straight line method
Computer equipment	- 20-25% straight line method

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Total Comprehensive Income.

#### 2.6 Impairment of assets

At each reporting 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.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent year if, and only if, the reasons for the impairment loss have ceased to apply.

# **MARCUS EVANS (NORTH AMERICA) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **2. Accounting policies (continued)**

#### **2.7 Taxation**

The tax expense comprises current and deferred tax. Tax currently payable, relating to corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction, or other event, that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts, and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **2.8 Foreign currency translation**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each reporting date, foreign currency monetary items are translated into the functional currency using the closing rate. Non monetary items measured at historical cost in a foreign currency are not retranslated and non monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at the reporting date of monetary assets and liabilities are recognised in Statement of Total Comprehensive Income.

For the purpose of presenting the financial statements in Sterling, the assets and liabilities of the company are translated from the functional currency using exchange rates prevailing at the reporting date. Income and expense items are translated from the functional currency at the average exchange rates for the period.

Foreign exchange gains and losses arising on translation into the presentational currency are recognised within other comprehensive income.

# **MARCUS EVANS (NORTH AMERICA) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **2. Accounting policies (continued)**

#### **2.9 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of Total Comprehensive Income 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### **2.10 Employee benefits**

##### **Short term benefits**

Short term benefits, including holiday pay and other similar non monetary benefits, are recognised as an expense in the period in which the service is received. An accrual is provided for short term compensated absences where entitlement has accumulated, but has not been taken, at the reporting date.



# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 2. Accounting policies (continued)

#### 2.11 Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds only basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, and trade and other creditors. The company has chosen to apply the measurement and recognition provisions of *Section 11 Basic Financial Instruments* and *Section 12 Other Financial Instrument Issues* in full.

#### **Financial assets – classified as basic financial instruments**

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

##### **Trade and other debtors**

Trade and other debtors are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Amounts that are receivable within one year are measured at the undiscounted amount expected to be receivable, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

At each reporting date, the company assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the financial asset. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

#### **Financial liabilities – classified as basic financial instruments**

##### **Trade and other creditors**

Trade and other creditors are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Amounts that are payable within one year are measured at the undiscounted amount expected to be payable.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

#### 3.1 Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

##### (i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, experience of recoverability and where applicable, the ability of the asset to be operated as planned. There have been no indicators of impairment identified during the current financial year.

##### (ii) Recognition of a deferred tax asset

A deferred tax asset is recognised only to the extent that it is considered probable to be recoverable against future taxable profits. The directors have reviewed the business plans and forecasts and have judged it inappropriate to recognise timing differences as deferred tax assets, as disclosed in note 8.

#### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### (i) Recoverability of debtors

The company establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability, the directors have considered factors such as the aging of the debtors, past experience of recoverability, and the credit profile of individual or groups of customers.

##### (ii) Deferred commission on sales not recognised as revenue

The company defers, as an event related expense, commission paid during the year in relation to future events for which revenue has been deferred. The deferred commission is calculated as a fixed percentage of deferred income based on the total commission paid compared to amounts invoiced to customers across the Marcus Evans Worldwide Holdings (IOM) Limited group of companies.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 4. Turnover

The company has taken advantage of the exemption not 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 SI2008 No.410.

### 5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	34,322	29,749
Operating lease rentals	185,872	188,189

# MARCUS EVANS (NORTH AMERICA) LIMITED.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 6. Employee information

	2017 £	2016 £
Wages and salaries	1,013,020	1,014,311
Commission	784,821	758,290
Social security	155,496	156,379
	<u>1,953,337</u>	<u>1,928,980</u>

Commissions paid during the year, and which have been deferred as an event related expense, amount to £2,275 (2016: £7,358). These amounts are included in staff costs above, but are not included in the Statement of Total Comprehensive Income for the year. During the year, commission of £7,358 (2016: £4,075) has been recognised in the Statement of Total Comprehensive Income 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 directors, during the year was as follows:

	2017 No.	2016 No.
Management and administration	5	7
Sales	53	54
	<u>58</u>	<u>61</u>

### 7. Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	9,534	-
<b>Fees payable to the company's auditor in respect of:</b>		
Other non-audit services	1,344	-
	<u>1,344</u>	<u>-</u>

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

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 8. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Tax refund on loss for the year	(1,576)	-
<b>Total current tax</b>	<u>(1,576)</u>	<u>-</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 19.5% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
(Loss)/profit on ordinary activities before tax	<u>(28,713)</u>	<u>7,108</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.5% (2016 - 20%)	(5,599)	1,422
<b>Effects of:</b>		
Expenses not deductible for tax purposes	2,585	54
Utilisation of tax losses	-	(1,476)
Unrecognised tax losses carried forward	1,438	-
<b>Total tax charge for the year</b>	<u>(1,576)</u>	<u>-</u>

#### Factors that may affect future tax charges

The corporation tax rate for the year ended 30 September 2017 was 19.5% (2016: 20%).

There will be reductions in the main corporation tax rate to 17% from 1 April 2020.

The company has tax losses of approximately £121,000 (2016: £106,000) available to offset against future profits. A potential deferred tax asset of approximately £23,000 (2016: £21,000) has not been recognised in respect of the losses on the grounds that there is insufficient certainty on the timing of future profits against which the asset could be utilised.

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 9. Tangible fixed assets

	Land and buildings £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 October 2016	185,697	142,519	95,246	423,462
Additions	-	4,450	2,838	7,288
Exchange adjustments	4,113	3,156	2,109	9,378
At 30 September 2017	189,810	150,125	100,193	440,128
<b>Depreciation</b>				
At 1 October 2016	131,306	140,257	90,889	362,452
Charge for the year on owned assets	29,607	1,774	2,941	34,322
Exchange adjustments	2,903	3,106	2,011	8,020
At 30 September 2017	163,816	145,137	95,841	404,794
<b>Net book value</b>				
At 30 September 2017	25,994	4,988	4,352	35,334
At 30 September 2016	54,391	2,262	4,357	61,010

### 10. Debtors

	2017 £	2016 £
Other debtors	41,608	35,600
Prepayments and accrued income	5,071	10,721
	46,679	46,321

# MARCUS EVANS (NORTH AMERICA) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	8,495	23,351
Amounts owed to group undertakings	437,612	142,992
Other creditors	130,697	153,283
Accruals	10,121	10,992
	<u>586,925</u>	<u>330,618</u>

Amounts owed to group companies are unsecured, interest free and repayable on demand.

### 12. Share capital

	2017 £	2016 £
<b>Authorised, allotted, called up and fully paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

The company has one class of ordinary shares; each share carries one voting right per share, and no right to fixed income.

### 13. Commitments under operating leases

At 30 September 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	168,981	168,023
Later than 1 year and not later than 5 years	340,105	267,401
Later than 5 years	8,420	-
	<u>517,506</u>	<u>435,424</u>

### 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 Section 33 Related Party Disclosures, not to disclose any transactions or balances with entities which are wholly owned members of that group.

# **MARCUS EVANS (NORTH AMERICA) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **15. Controlling party**

The company's parent undertaking and immediate controlling party at the balance sheet date is ME Holdings (IOM) Limited a company registered in the Isle of Man.

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

The 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