

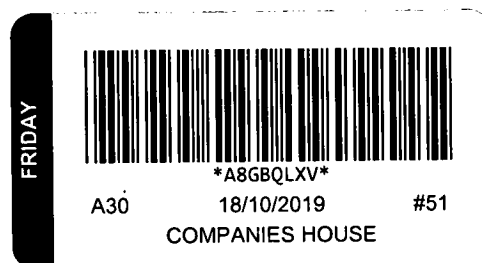
Company registration number: 08912755

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2019**

**PROAV HOLDINGS  
LIMITED**



**MENZIES**  
BRIGHTER THINKING

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# PROAV HOLDINGS LIMITED

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## COMPANY INFORMATION

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**Directors**

R Brookes  
F Hazell  
L Brookes

**Registered number**

08912755

**Registered office**

proAV House  
Omega Way  
Egham  
Surrey  
TW20 8RD

**Independent auditors**

Menzies LLP  
Chartered Accountants & Statutory Auditor  
Victoria House  
50-58 Victoria Road  
Farnborough  
Hampshire  
GU14 7PG

**Bankers**

Barclays Bank plc  
1 Churchill Place  
Canary Wharf  
London  
E14 5HP

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# PROAV HOLDINGS LIMITED

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# PROAV HOLDINGS LIMITED

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## GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

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### Introduction

The principal activity of the group during the year remained focused on the activities of design, supply, installation and support of Audio Visual, Video Conferencing & Large Format Display Systems.

proAV Holdings Limited is just a holding company whose only transactions are the payment of debt and amortisation of goodwill acquired. To assess the underlying trading activity of the group, please refer to the financial statements of proAV Limited.

### Business review

The group continues to perform as forecasted with increased levels of turnover and profitability in the Limited Company compared with the previous year, achieved through an increased portfolio of services, opening of strategic office locations to service customer requirements and project delivery efficiency. Gross profit increased from £21.6m to £24.8m.

Facilities Management and Support Services have continued to perform well with increased activity in EMEA, APAC and US regions. The Network Operations Centre continues to attract overseas and domestic clients allowing the group to provide a wider portfolio of products and services. The continued investment in the NOC sets the group aside from other AV Companies by providing consistent state of the art support and intelligence framework that is designed to be compatible for specific customer needs.

As at 31 March 2019, employee numbers have increased further to 362 (2018: 323). The group has minimal dependency on external resources as a result of its ongoing AV training programmes. Our infrastructure is aligned to manage our forecasted increase in business maintaining a good work life balance for all team members.

The group remains able and committed to attracting high calibre of associates allowing ongoing business growth with improved infrastructure.

The group continues to be supported by Barclays Bank who provide an adequate and agile financial resource which supports our strategic and growth plans. The Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. ProAV Limited maintained a strong balance sheet position increasing assets again from £3.6m to £4.4m.

Attention is drawn to the consolidated Statement of Financial Position on page 10 along with note 14 to the accounts. Over the 5 years since the Management Buy Out of the group, amortisation has been reflected in the consolidated figures totaling over £13m. This amortisation has been deducted against the consolidated reserves. If the profits of the group are similar to those achieved in the past few years the deficit will reverse by March 2020. It should be remembered that this is non cash accounting entry and the rate of amortisation is somewhat faster than a number of peers reflective of the confidence that the current management have in the strength of the business and its prospects.

For the foreseeable future, the group will continue to develop its business along similar lines to those followed in previous years, whilst maintaining consideration to market and geographic changes in trading. Last year the company introduced Frankfurt operations to facilitate improved European delivery and mitigate some risk associated with Brexit. Regional offices in Scotland and Eire were launched in Q2 FY19 with the local appointment of Regional Management and technical staff. For 2020 the group is developing its presence in the United States.

### Principal risks and uncertainties

#### Competition risk

As a leader in this industry, proAV identifies with its competitors and continues to evolve to meet and surpass client expectations and quality of service. The directors regularly identify, monitor and ensure appropriate processes are in place to mitigate potential risks and uncertainties.

#### Financial risk

It is considered that the company's exposure to risk in terms of credit, liquidity, interest rates and cash flow is not material to the financial statements.

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# PROAV HOLDINGS LIMITED

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## GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019


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### Financial key performance indicators (group)

Service versus project revenue split for the year was 19:81 (2018: 20:80).  
Employee numbers for the year was 362 (2018: 323).

These are in line with the directors expectations, and are discussed in the business review above.

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

  
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**F Hazell**  
Director

Date: 7.10.19.

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# PROAV HOLDINGS LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

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The directors present their report and the financial statements for the year ended 31 March 2019.

### Directors

The directors who served during the year were:

R Brookes  
F Hazell  
L Brookes

### Results and dividends

The loss for the year, after taxation, amounted to £875,648 (2018 - loss £1,092,062).

Particulars of dividends paid are detailed in note 12 to the financial statements.

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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# PROAV HOLDINGS LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

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### Matters covered in the strategic report

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

### Disclosure of information to auditors

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 and the Group's auditors are 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 and the Group's auditors are aware of that information.

### Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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

F Hazell  
Director



Date:

7.10.19.

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PROAV HOLDINGS LIMITED**

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**Opinion**

We have audited the financial statements of proAV Holdings Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 March 2019, which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group and company Statements of Financial Position, the Group Statement of Cash Flows, the Group and company Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent company's affairs as at 31 March 2019 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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 Auditors' 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.

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.



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PROAV HOLDINGS LIMITED (CONTINUED)**

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**Opinion 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement 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, 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 Group's and the parent 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 either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 Auditors' 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.

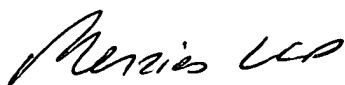
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PROAV  
HOLDINGS LIMITED (CONTINUED)

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**Use of our 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 Auditors' 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.



Roberto Lobue FCA (Senior Statutory Auditor)

for and on behalf of  
**Menzies LLP**

Chartered Accountants  
Statutory Auditor

Victoria House  
50-58 Victoria Road  
Farnborough  
Hampshire  
GU14 7PG

Date: 11/10/19

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# PROAV HOLDINGS LIMITED

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## CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

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	Note	2019 £	2018 £
Turnover	4	71,961,166	60,552,195
Cost of sales		(47,148,160)	(38,892,597)
<b>Gross profit</b>		<b>24,813,006</b>	<b>21,659,598</b>
Administrative expenses		(25,280,034)	(22,451,137)
Other operating income	5	11,657	-
<b>Operating loss</b>	6	<b>(455,371)</b>	<b>(791,539)</b>
Interest receivable and similar income	10	-	7,660
Interest payable and similar expenses	11	(40,006)	(191,460)
<b>Loss before tax</b>		<b>(495,377)</b>	<b>(975,339)</b>
Tax on loss	12	(380,271)	(116,723)
<b>Loss for the financial year</b>		<b>(875,648)</b>	<b>(1,092,062)</b>
<b>Loss for the year attributable to:</b>			
Owners of the parent		(875,648)	(1,092,062)

The notes on pages 17 to 36 form part of these financial statements.

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# PROAV HOLDINGS LIMITED

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## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

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	Note	2019 £	2018 £
Loss for the financial year		(875,648)	(1,092,062)
<b>Other comprehensive income</b>			
Unrealised surplus on revaluation of tangible fixed assets		-	1,300,000
Deferred tax on revaluation		-	(218,220)
<b>Other comprehensive income for the year</b>		-	1,081,780
<b>Total comprehensive income for the year</b>		<b>(875,648)</b>	<b>(10,282)</b>
<b>(Loss) for the year attributable to:</b>			
Owners of the parent company		(875,648)	(1,092,062)
		<b>(875,648)</b>	<b>(1,092,062)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent company		(875,648)	(10,282)
		<b>(875,648)</b>	<b>(10,282)</b>

The notes on pages 17 to 36 form part of these financial statements.

**PROAV HOLDINGS LIMITED**  
**REGISTERED NUMBER:08912755**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	14	-	2,610,479
Tangible assets	15	3,835,454	4,104,671
		<u>3,835,454</u>	<u>6,715,150</u>
<b>Current assets</b>			
Stocks	17	6,767,714	2,951,551
Debtors: amounts falling due within one year	18	10,897,535	15,214,310
Cash at bank and in hand	19	82,370	362,757
		<u>17,747,619</u>	<u>18,528,618</u>
Creditors: amounts falling due within one year	20	(21,675,004)	(24,058,246)
<b>Net current liabilities</b>		<u>(3,927,385)</u>	<u>(5,529,628)</u>
<b>Total assets less current liabilities</b>		<u>(91,931)</u>	<u>1,185,522</u>
Creditors: amounts falling due after more than one year	21	(113,000)	(525,780)
Deferred taxation	24	(173,335)	(161,417)
		<u>(173,335)</u>	<u>(161,417)</u>
<b>Net (liabilities)/assets</b>		<u><u>(378,266)</u></u>	<u><u>498,325</u></u>
<b>Capital and reserves</b>			
Called up share capital	25	50,397	50,397
Share premium account	26	7,818,024	7,818,024
Revaluation reserve	26	1,517,470	1,517,470
Foreign exchange reserve	26	(5,966)	(5,023)
Profit and loss account	26	(9,758,191)	(8,882,543)
		<u><u>(378,266)</u></u>	<u><u>498,325</u></u>

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



.....  
**F Hazell**  
 Director

Date: 7.10.19.

The notes on pages 17 to 36 form part of these financial statements.


**PROAV HOLDINGS LIMITED**  
**REGISTERED NUMBER:08912755**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	15	2,800,000	2,800,000
Investments	16	14,967,465	14,967,465
		<u>17,767,465</u>	<u>17,767,465</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	18	13,218	13,218
Cash at bank and in hand	19	939	939
		<u>14,157</u>	<u>14,157</u>
Creditors: amounts falling due within one year	20	(6,830,224)	(7,618,224)
<b>Net current liabilities</b>		<u>(6,816,067)</u>	<u>(7,604,067)</u>
<b>Total assets less current liabilities</b>		<u>10,951,398</u>	<u>10,163,398</u>
Creditors: amounts falling due after more than one year	21	(113,000)	(525,000)
<b>Provisions for liabilities</b>			
Deferred taxation	24	(218,220)	(218,220)
		<u>(218,220)</u>	<u>(218,220)</u>
<b>Net assets</b>		<u>10,620,178</u>	<u>9,420,178</u>
<b>Capital and reserves</b>			
Called up share capital	25	50,397	50,397
Share premium account	26	7,818,024	7,818,024
Profit and loss account	26	2,751,757	1,551,757
		<u>10,620,178</u>	<u>9,420,178</u>

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The company's profit for the year was £1,200,000 (2018 - £2,081,780).

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

  
 F Hazell  
 Director

Date: 7.10.19.

The notes on pages 17 to 36 form part of these financial statements.

## PROAV HOLDINGS LIMITED

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital	Share premium account	Revaluation reserve	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent company	Total equity
	£	£	£	£	£	£	£
At 1 April 2018	50,397	7,818,024	1,517,470	(5,023)	(8,882,543)	498,325	498,325
Comprehensive income for the year							
Loss for the year	-	-	-	-	(875,648)	(875,648)	(875,648)
Total comprehensive income for the year	-	-	-	-	(875,648)	(875,648)	(875,648)
Foreign exchange reserve movement	-	-	-	(943)	-	(943)	(943)
Total transactions with owners	-	-	-	(943)	-	(943)	(943)
At 31 March 2019	50,397	7,818,024	1,517,470	(5,966)	(9,758,191)	(378,266)	(378,266)

The notes on pages 17 to 36 form part of these financial statements.

## PROAV HOLDINGS LIMITED

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital	Share premium account	Revaluation reserve	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent company	Total equity
	£	£	£	£	£	£	£
At 1 April 2017	50,397	7,818,024	435,690	-	(6,790,481)	1,513,630	1,513,630
<b>Comprehensive income for the year</b>							
Loss for the year	-	-	-	-	(1,092,062)	(1,092,062)	(1,092,062)
Surplus on revaluation of freehold property	-	-	1,300,000	-	-	1,300,000	1,300,000
Deferred tax on revaluation surplus	-	-	(218,220)	-	-	(218,220)	(218,220)
<b>Total comprehensive income for the year</b>	-	-	1,081,780	-	(1,092,062)	(10,282)	(10,282)
Dividends: Equity capital	-	-	-	-	(1,000,000)	(1,000,000)	(1,000,000)
Foreign exchange reserve movement	-	-	-	(5,023)	-	(5,023)	(5,023)
<b>Total transactions with owners</b>	-	-	-	(5,023)	(1,000,000)	(1,005,023)	(1,005,023)
<b>At 31 March 2018</b>	<b>50,397</b>	<b>7,818,024</b>	<b>1,517,470</b>	<b>(5,023)</b>	<b>(8,882,543)</b>	<b>498,325</b>	<b>498,325</b>

The notes on pages 17 to 36 form part of these financial statements.



# PROAV HOLDINGS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 26 April 2017</b>	<b>50,397</b>	<b>7,818,024</b>	<b>469,977</b>	<b>8,338,398</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	2,081,780	2,081,780
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	2,081,780	2,081,780
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(1,000,000)	(1,000,000)
<b>Total transactions with owners</b>	-	-	(1,000,000)	(1,000,000)
<b>At 1 April 2018</b>	<b>50,397</b>	<b>7,818,024</b>	<b>1,551,757</b>	<b>9,420,178</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,200,000	1,200,000
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	1,200,000	1,200,000
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 March 2019</b>	<b>50,397</b>	<b>7,818,024</b>	<b>2,751,757</b>	<b>10,620,178</b>

The notes on pages 17 to 36 form part of these financial statements.

# PROAV HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(875,648)	(1,092,062)
<b>Adjustments for:</b>		
Amortisation of intangible assets	2,610,479	2,610,479
Depreciation of tangible assets	462,481	459,046
Loss on disposal of tangible assets	-	(853)
Interest paid	50,977	192,361
Interest received	(510)	(8,561)
Taxation charge	380,271	116,723
(Increase) in stocks	(3,163,564)	(204,387)
Decrease/(increase) in debtors	3,681,740	(4,873,061)
Increase in creditors	725,515	1,484,126
Corporation tax (paid)	(432,564)	(233,292)
Foreign exchange	(943)	(5,023)
<b>Net cash generated from operating activities</b>	<b>3,438,234</b>	<b>(1,554,504)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(193,264)	(189,116)
Sale of tangible fixed assets	-	855
Interest received	510	8,561
HP interest paid	(954)	(5,739)
<b>Net cash from investing activities</b>	<b>(193,708)</b>	<b>(185,439)</b>

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# PROAV HOLDINGS LIMITED

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## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

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	2019 £	2018 £
<b>Cash flows from financing activities</b>		
Repayment of loans	(38,044)	(146,363)
Repayment of other loans	(40,363)	(48,605)
Movement on invoice discounting	(3,452,668)	2,770,405
Interest paid	(50,023)	(182,622)
<b>Net cash used in financing activities</b>	<b>(3,581,098)</b>	<b>2,392,815</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(336,572)</b>	<b>652,872</b>
Cash and cash equivalents at beginning of year	362,757	(290,115)
<b>Cash and cash equivalents at the end of year</b>	<b>26,185</b>	<b>362,757</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	82,370	362,757
Bank overdrafts	(56,185)	-
	<b>26,185</b>	<b>362,757</b>

The notes on pages 17 to 36 form part of these financial statements.

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 1. General information

proAV Holdings Limited is a private limited company incorporated and domiciled in the United Kingdom. The address of its registered office which is the same as its principal place of business is disclosed on the Company Information page.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements.

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of group and its own subsidiaries ("the group") as they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Income Statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

#### 2.3 Revenue

##### Project Revenue

When the outcome of a project can be measured reliably, the entity will recognise both the income and costs by reference to the percentage of completion of the contract, as stipulated by the contract timelines.

##### Service/Support Revenue

Revenue is recognised over the length of the service period. The revenue is released evenly over the duration of each contract.

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 2. Accounting policies (continued)

#### 2.4 Intangible assets

##### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income Statement over its useful economic life.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

The estimated useful lives range as follows:

Goodwill	-	5	years
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#### 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:

Freehold property	- Not depreciated
Improvements to premises	- Over the term of the lease
Motor vehicles	- 33.3% p.a. straight line
Fixtures and fittings	- Over the term of the lease/30% p.a. straight line
Office equipment	- Over the term of the lease
Computer equipment	- 30% p.a. straight line

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 Consolidated Statement of Comprehensive Income.

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 2. Accounting policies (continued)

#### 2.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

#### 2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Income Statement 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.

#### 2.8 Investment property

Investment property is carried at fair value determined annually derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Income Statement.

#### 2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### 2.11 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 2. Accounting policies (continued)

#### 2.12 Foreign currency translation

##### Functional and presentation currency

The company's functional and presentational currency is GBP.

##### Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

#### 2.13 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Income Statement so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 2.14 Pensions

##### Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

#### 2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Income Statement in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 2. Accounting policies (continued)

#### 2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.



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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Significant judgements

The group did not make any significant judgements (apart from those involving estimations which are detailed below) that have a significant effect on the amounts recognised in the financial statements.

#### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other 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 as follows:

The valuation of the investment property is based on market factors

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property plant and equipment. The directors also make an estimate over the fair value of the property.

There were no other key sources of estimation uncertainty.

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Audio visual income	58,338,853	48,168,510
Facilities management income	13,622,313	12,383,685
	<u>71,961,166</u>	<u>60,552,195</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	65,725,628	51,797,221
Rest of the world	6,235,538	8,754,974
	<u>71,961,166</u>	<u>60,552,195</u>

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 5. Other operating income

	2019 £	2018 £
Other operating income	11,657	-
	<u>11,657</u>	<u>-</u>

### 6. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	462,481	459,046
Amortisation of intangible assets, including goodwill	2,610,479	2,610,479
Exchange differences	(64,197)	(38,647)
Defined contribution pension cost	506,654	437,112
	<u>506,654</u>	<u>437,112</u>

### 7. Auditors' remuneration

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	4,500	4,000
	<u>4,500</u>	<u>4,000</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Tax compliance	35,200	28,813
Audit of subsidiary company	22,000	18,000
Preparation of accounts	4,500	3,500
Other compliance	17,293	14,390
	<u>78,993</u>	<u>64,703</u>

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 8. Employees

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Wages and salaries	16,466,956	14,203,203	-	-
Social security costs	1,822,364	1,561,227	-	-
Cost of defined contribution scheme	506,654	437,602	-	-
	<b>18,795,974</b>	<b>16,202,032</b>	<b>-</b>	<b>-</b>

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

	<b>2019 No.</b>	<b>2018 No.</b>
Directors	3	3
Audio Visual	145	123
Facilities management	176	165
Operations	38	32
	<b>362</b>	<b>323</b>

### 9. Directors' remuneration

	<b>2019 £</b>	<b>2018 £</b>
Directors' emoluments	512,770	502,649
Company contributions to defined contribution pension schemes	70,000	51,648
	<b>582,770</b>	<b>554,297</b>

During the year retirement benefits were accruing to 2 directors (2018 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £206,073 (2018 - £204,067).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2018 - £NIL).

# PROAV HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 10. Interest receivable

	2019 £	2018 £
Other interest receivable	-	7,660
	<u>-</u>	<u>7,660</u>

### 11. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	8,326	-
Other loan interest payable	41,187	185,721
Finance leases and hire purchase contracts	(9,507)	5,739
	<u>40,006</u>	<u>191,460</u>

### 12. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	478,622	366,415
Adjustments in respect of previous periods	(110,269)	(255,813)
<b>Total current tax</b>	<u>368,353</u>	<u>110,602</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	11,918	6,121
<b>Total deferred tax</b>	<u>11,918</u>	<u>6,121</u>
<b>Taxation on profit on ordinary activities</b>	<u>380,271</u>	<u>116,723</u>

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 12. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	(495,377)	(975,339)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 20%)	(94,122)	(185,314)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	21,822	50,286
Capital allowances for year in excess of depreciation	8,010	9,292
Ineligible intangible asset amortisation	495,991	495,991
Adjustments to tax charge in respect of prior periods	(110,269)	(255,813)
Changes to the tax rate on deferred tax balances	(1,402)	-
Non-taxable income	(35)	-
Changes in provisions leading to an increase (decrease) in the tax charge	-	2,281
Double taxation relief	(95)	-
Unrelieved loss on foreign subsidiaries	60,371	-
<b>Total tax charge for the year</b>	<b>380,271</b>	<b>116,723</b>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

### 13. Dividends

	2019 £	2018 £
Equity dividends payable on ordinary A shares	-	800,000
Equity dividends payable on ordinary B shares	-	200,000
	-	1,000,000

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 14. Intangible assets

#### Group

	Goodwill £
<b>Cost</b>	
At 1 April 2018	13,052,395
At 31 March 2019	13,052,395
<b>Amortisation</b>	
At 1 April 2018	10,441,916
Charge for the year	2,610,479
At 31 March 2019	13,052,395
<b>Net book value</b>	
At 31 March 2019	-
At 31 March 2018	2,610,479

# PROAV HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 15. Tangible fixed assets

#### Group

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>							
At 1 April 2018	2,800,000	3,092,910	63,281	1,961,927	-	1,019,588	8,937,706
Additions	-	5,346	-	45,772	7,517	134,629	193,264
At 31 March 2019	2,800,000	3,098,256	63,281	2,007,699	7,517	1,154,217	9,130,970
<b>Depreciation</b>							
At 1 April 2018	-	2,159,708	26,569	1,833,798	-	812,960	4,833,035
Charge for the year on owned assets	-	260,135	12,286	30,088	232	132,500	435,241
Charge for the year on financed assets	-	-	5,315	12,614	-	9,311	27,240
At 31 March 2019	-	2,419,843	44,170	1,876,500	232	954,771	5,295,516
<b>Net book value</b>							
At 31 March 2019	2,800,000	678,413	19,111	131,199	7,285	199,446	3,835,454
At 31 March 2018	2,800,000	933,202	36,712	128,129	-	206,628	4,104,671

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 15. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Freehold	2,800,000	2,800,000
Long leasehold	678,413	933,202
	<u>3,478,413</u>	<u>3,733,202</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Improvements to leasehold property	-	10,697
Motor vehicles	-	5,314
Furniture, fittings and equipment	-	61,608
Computer equipment	-	19,154
	<u>-</u>	<u>96,773</u>

The historical cost of the property is £1,064,310.



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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 15. Tangible fixed assets (continued)

#### Company

	Freehold investment property £
<b>Cost or valuation</b>	
At 1 April 2018	2,800,000
At 31 March 2019	<u>2,800,000</u>
<b>Net book value</b>	
At 31 March 2019	<u>2,800,000</u>
At 31 March 2018	<u>2,800,000</u>

The historical cost of the investment property is £1,064,310.

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 16. Fixed asset investments

#### Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2018	14,967,465
At 31 March 2019	<u>14,967,465</u>

#### Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
ProAV Limited	Audio visual systems	Ordinary	100%
ProAV International Limited	Dormant	Ordinary	100%
ProAV.com Limited	Dormant	Ordinary	100%
ProFM Limited	Dormant	Ordinary	100%
ProVC Limited	Dormant	Ordinary	100%
ProAV (Germany) GmbH	Audio visual systems	Ordinary	100%

The country of incorporation for all subsidiaries, except proAV (Germany) GmbH is England. The country of incorporation for ProAV (Germany) GmbH is Germany.

The registered office address for all subsidiaries, except ProAV (Germany) GmbH is ProAV House, Omega Way, Egham, Surrey, TW20 8RD.

The registered office for ProAV (Germany) GmbH is Hanauer Landstraße 291b, 60314, Frankfurt am Main, Germany.

# PROAV HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 17. Stocks

	Group 2019 £	Group 2018 £
Finished goods and goods for resale	6,767,714	2,951,551
	<b>6,767,714</b>	<b>2,951,551</b>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £47,176,040 (2018 - £38,842,518).

### 18. Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	9,173,691	12,835,310	-	-
Other debtors	48,580	76,026	13,218	13,218
Prepayments and accrued income	1,675,264	2,302,974	-	-
	<b>10,897,535</b>	<b>15,214,310</b>	<b>13,218</b>	<b>13,218</b>

### 19. Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	82,370	362,757	939	939
Less: bank overdrafts	(56,185)	-	-	-
	<b>26,185</b>	<b>362,757</b>	<b>939</b>	<b>939</b>

# PROAV HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Bank overdrafts	56,185	-	-	-
Bank loans	-	38,044	-	-
Trade creditors	10,024,145	8,439,092	-	-
Amounts owed to group undertakings	-	-	6,580,224	6,568,224
Corporation tax	319,768	366,415	-	-
Other taxation and social security	1,880,153	1,417,620	-	-
Obligations under finance lease and hire purchase contracts	-	39,583	-	-
Other creditors	2,762,058	7,036,865	250,000	1,050,000
Accruals and deferred income	6,632,695	6,720,627	-	-
	<b>21,675,004</b>	<b>24,058,246</b>	<b>6,830,224</b>	<b>7,618,224</b>

Included within other creditors is an amount of £2,561,135 (2018 - £6,013,803) which relates to invoice discounting on which there is recourse to proAV Limited.

### 21. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Net obligations under finance leases and hire purchase contracts	-	780	-	-
Other creditors	113,000	525,000	113,000	525,000
	<b>113,000</b>	<b>525,780</b>	<b>113,000</b>	<b>525,000</b>

#### Secured loans

Included within bank loans, overdrafts, invoice discounting and hire purchase agreements are amounts owed to Barclays Bank Plc who hold fixed and floating charges secured on the assets of the company.

# PROAV HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2019 £	Group 2018 £
Within one year	-	39,583
Between 1-5 years	-	780
	<u>-</u>	<u>40,363</u>

### 23. Financial instruments

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
<b>Financial assets</b>				
Financial assets - equity instruments at cost less impairment	-	-	14,967,465	14,967,465
Financial assets measured at amortised cost	9,917,476	13,563,935	13,218	13,218
	<u>9,917,476</u>	<u>13,563,935</u>	<u>14,980,683</u>	<u>14,980,683</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(17,414,952)	(20,713,938)	(8,185,254)	(7,768,224)

Financial assets that are equity instruments represents investments in subsidiaries.

Financial assets at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities at amortised cost comprise bank overdrafts, bank loans, trade creditors, hire purchase, accruals and other creditors.

### 24. Deferred taxation

#### Group

	2019 £	2018 £
At beginning of year	(161,417)	62,924
Charged to profit or loss	(11,918)	(6,121)
Charged to other comprehensive income	-	(218,220)
At end of year	<u>(173,335)</u>	<u>(161,417)</u>

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 24. Deferred taxation (continued)

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Decelerated capital allowances	44,885	47,962	-	-
Unpaid pension	-	8,841	-	-
Unrealised property gains	(218,220)	(218,220)	(218,220)	(218,220)
	<u>(173,335)</u>	<u>(161,417)</u>	<u>(218,220)</u>	<u>(218,220)</u>

### 25. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
40,318 (2018 - 40,318) Ordinary A shares of £1.00 each	40,318	40,318
10,079 (2018 - 10,079) Ordinary B shares of £1.00 each	10,079	10,079
	<u>50,397</u>	<u>50,397</u>

All shares rank equally in terms of voting rights, dividend and capital distribution and do not confer any rights of redemptions.

### 26. Reserves

#### Share premium account

This reserve records the amount above the nominal value received for shares sold, less transactions costs.

#### Revaluation reserve

This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

#### Foreign exchange reserve

This reserve records foreign exchange variances on consolidation of an overseas subsidiary.

#### Profit and loss account

This reserve records retained earnings and accumulated losses.

### 27. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £485,926 (2018 - £407,507).

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# PROAV HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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### 28. Commitments under operating leases

At 31 March 2019 the Group and the company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>
Not later than 1 year	<b>274,302</b>	<b>243,017</b>
Later than 1 year and not later than 5 years	<b>631,238</b>	<b>742,800</b>
Later than 5 years	<b>2,330</b>	<b>76,644</b>
	<b>907,870</b>	<b>1,062,461</b>

All of the above amounts relate to land and buildings.

Amounts charged to the income statement during the year were £243,017 (2018 - £247,470).

### 29. Related party transactions

At the balance sheet date, the company owed the directors £313,000 (2018 - £150,000).

During the period, the group declared dividends of £NIL (2018 - £1,000,000).

### 30. Controlling party

The ultimate controlling party is the director R Brookes.