

Company Registration No. 02449446 (England and Wales)

FESPA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

WEDNESDAY



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COMPANIES HOUSE

FESPA LIMITED

COMPANY INFORMATION

Directors

C Duyckaerts (Belgian) President
C Aussenac (French) Vice President
P H J Steijn (Dutch) Treasurer
L A Barrow (British)
G Kovacs (Hungarian)
A Nilsson (Swedish)
O Skilbred (Norwegian)
T Struckmeier (German)

Secretary S Holt

Company number 02449446

Registered office

Holmbury
The Dorking Business Park
Dorking
Surrey
RH4 1HJ

Auditor

Goodman Jones LLP
29-30 Fitzroy Square
London
W1T 6LQ

FESPA LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 6
Statement of income and retained earnings	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10 - 24

FESPA LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2017

FESPA is a global federation of 37 national associations, representing over 16,000 companies, for the screen printing, digital printing and textile printing community. As such the principal activity of the company is that of a trade association. It is also an organiser of successful worldwide events running exhibitions and conferences for the screen and digital printing industry. The profits from these events fund the company and are reinvested for the benefit of the global print community. FESPA supports many projects each year to educate and grow the industry.

Our mission is to be the leading globally connected imaging community re-investing its profits for the purpose of inspiring, educating and growing the industry.

The company's objective is the promotion of screen printing and digital imaging through each of its member Associations throughout the world. FESPA offers a comprehensive range of member services, and supports its National Associations by financing roadshows, research, membership and special projects. FESPA also runs educational initiatives including technical guidance notes, international seminars, and show conferences.

Headquartered in the UK but with offices in Mexico and Turkey as well as partners in Brazil and South Africa, FESPA has international scale and reach, which is demonstrated by the international team of directors as well as the diverse and extensive experience of the full-time employees.

The company is limited by guarantee and does not have share capital.

Review of activities

The company's largest event each year is FESPA. FESPA 2017 was held in Hamburg, Germany in May 2017. FESPA 2017 is the largest international wide format event, encompassing screen, digital and textile print. Over 550 brands exhibited at the event with over 19,500 attendees from 143 countries making it one of the most successful FESPA events to date.

Industry standard accounting practice is to only recognise revenue and costs in relation to an event when it occurs. The Company has reported revenue of €10.97m resulting in a profit before taxation of €2.7m.

During the year the company repaid in full a bank loan of €1.82m used to part-fund the acquisition of its UK headquarters offices in the previous year. This reflects the strong cash position of the company.

FESPA LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

Principal risks and uncertainties

The company has identified and evaluated its major risks, the controls in place to manage those risks and the level of residual risk accepted. Risk management and control procedures are an integral part of the operation of the business. The board of directors are aware of these risk procedures through reporting via a centrally maintained risk register.

The major risks identified include:

- macro-economic factors including a slowdown in the economy
- geopolitical environment adversely affecting revenues and demand for products and services
- foreign exchange rate fluctuations affecting reported earnings
- specific country risks and emerging markets exposure
- ability to stage events and attract attendees could be affected by disasters, natural catastrophes, terrorism, political instability or disease
- changes in business environment
- technological risk including data breach and cyber security

The company has undertaken a series of measures through which as far as is possible the major risks are mitigated. These include the facility to enter into forward exchange contracts to manage exchange rate risk, which in the current economic climate is considered to be a significant risk.

The company continues to invest in its events ensuring they remain relevant and up to date. The systems and controls in place in planning for and staging events is highly developed. The investment in technology and cyber-security increase year on year. Some factors are clearly outside of the company's control but strategic planning at board level ensures the company is well placed to deal with these, one part of which is the maintenance of significant cash reserves within the company.

Key performance indicators

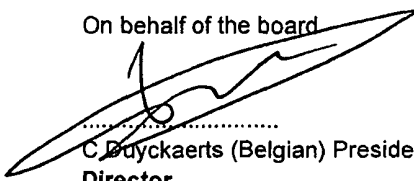
As the company is a trade association representing the interests of its members, its key purpose is the generation of profit to reinvest in the printing community. As such the directors consider profit and payments to associations to be key performance indicators. In the period the company traded at a profit before taxation and after payments to associations of €2.7m. Payments to associations in the nine month period amounted to €0.93m, compared to €0.82m in the comparative 12 month period. In addition its retained earnings stand at €5.7m as at 31 December 2017 which puts the company in a strong position to meet its mission.

Future developments

FESPA 2018 held in Berlin, Germany in May 2018 has been the most successful FESPA in the company's history. This is the first time the one event has generated over €10m of revenue. 2018 will also see FESPA opening a full operating subsidiary WOFE (wholly owned foreign enterprise) in China. China is now and will increasingly be a key market for the company.

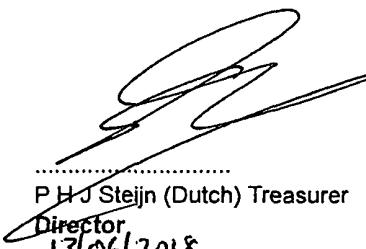
The company is well placed to continue to meet its mission and values. Investment is being made in analysing new trends in the marketplace to better advise and support its global print community members in a fast-changing environment. More information can be found at www.fespa.com.

On behalf of the board


C. Duyckaerts (Belgian) President

Director

13/06/2018


P. H. J. Steijn (Dutch) Treasurer

Director

13/06/2018

FESPA LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2017

The directors present their report and financial statements for the period ended 31 December 2017.

Principal activities

The principal activity of the company is that of a trade association. It is also an organiser of exhibitions and conferences for the screen and digital printing industry. The profits from these exhibitions fund the company, and are reinvested in the industry for the benefit of both suppliers and printers.

The company's objective is the promotion of screen printing and digital imaging through each of its member Associations throughout the world. FESPA offers a comprehensive range of member services, and supports its National Associations by financing roadshows, research, membership and special projects. FESPA also runs educational initiatives including technical guidance notes, international seminars, and show conferences.

The company is limited by guarantee and does not have share capital.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

C Duyckaerts (Belgian) President

C Aussenac (French) Vice President

P H J Steijn (Dutch) Treasurer

L A Barrow (British)

Y Guvenen (Turkish)

(Resigned 10 May 2017)

G Kovacs (Hungarian)

A Nilsson (Swedish)

O Skilbred (Norwegian)

T Struckmeier (German)

Results and dividends

The results for the period are set out on page 7.

Auditor

In accordance with the company's articles, a resolution proposing that Goodman Jones LLP be reappointed as auditor of the company will be put at a General Meeting.

FESPA LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



P H J Steijn (Dutch) Treasurer

Director

Date: 13/06/2018



FESPA LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FESPA LIMITED

Opinion

We have audited the financial statements of Fespa Limited (the 'company') for the period ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Statement Of Financial Position, 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 31 December 2017 and of its profit for the period 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.

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 our audit:

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

FESPA LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FESPA LIMITED

Matters on which we are required to report by exception

In the 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 Strategic Report and the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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 either 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.



Sarf Malik (Senior Statutory Auditor)
for and on behalf of Goodman Jones LLP

13 June 2018
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Chartered Accountants
Statutory Auditor

29-30 Fitzroy Square
London
W1T 6LQ

FESPA LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE PERIOD ENDED 31 DECEMBER 2017

		Period ended 31 December 2017 €	Year ended 31 March 2017 €
	Notes		
Revenue	3	10,955,708	1,588,847
Cost of sales		(6,324,516)	(2,457,228)
Gross profit/(loss)		4,631,192	(868,381)
Administrative expenses		(1,880,977)	(2,036,434)
Operating profit/(loss)	6	2,750,215	(2,904,815)
Investment income	7	216,735	4,336
Finance costs	9	(23,182)	(17,199)
Other gains and losses	8	(200,000)	-
Profit/(loss) before taxation		2,743,768	(2,917,678)
Taxation	10	(489,622)	597,994
Profit/(loss) for the financial period		2,254,146	(2,319,684)
 Total comprehensive income for the period		 2,254,146	 (2,319,684)
Retained earnings at 1 April 2017		3,467,353	5,787,037
Retained earnings at 31 December 2017		5,721,499	3,467,353


The Income Statement has been prepared on the basis that all operations are continuing operations.

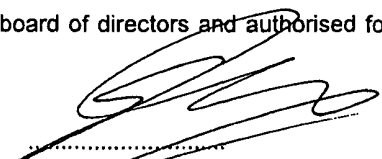
FESPA LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Notes	31 December 2017 €	31 March 2017 €
Fixed assets			
Property, plant and equipment	12	3,285,091	3,411,709
Investments	13	806,250	806,250
		<u>4,091,341</u>	<u>4,217,959</u>
Current assets			
Trade and other receivables falling due after more than one year	16	207,548	217,548
Trade and other receivables falling due within one year	16	4,367,188	5,897,878
Cash and cash equivalents		5,609,862	7,058,560
		<u>10,184,598</u>	<u>13,173,986</u>
Current liabilities	17	<u>(8,554,440)</u>	<u>(12,173,242)</u>
Net current assets		<u>1,630,158</u>	<u>1,000,744</u>
Total assets less current liabilities		<u>5,721,499</u>	<u>5,218,703</u>
Non-current liabilities	19	-	(1,751,350)
Net assets		<u>5,721,499</u>	<u>3,467,353</u>
Equity			
Retained earnings		<u>5,721,499</u>	<u>3,467,353</u>

The financial statements were approved by the board of directors and authorised for issue on 13/06/2018 and are signed on its behalf by:


C. Doyckaerts (Belgian) President
Director


P. H. J. Steijn (Dutch) Treasurer
Director

Company Registration No. 02449446

FESPA LIMITED

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	€	Period ended 31 December 2017 €	€	Year ended 31 March 2017 €
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(378,606)		2,503,435
Interest paid			(23,182)		(17,199)
Income taxes refunded/(paid)			570,535		(317,619)
Net cash inflow from operating activities			168,747		2,168,617
Investing activities					
Purchase of property, plant and equipment		(6,776)		(3,352,631)	
Interest received		17,348		4,336	
Dividends received		199,387		-	
Net cash generated from/(used in) investing activities			209,959		(3,348,295)
Financing activities					
Proceeds of new bank loans		-		1,827,404	
Repayment of bank loans		(1,827,404)		-	
Net cash (used in)/generated from financing activities			(1,827,404)		1,827,404
Net (decrease)/increase in cash and cash equivalents			(1,448,698)		647,726
Cash and cash equivalents at beginning of period			7,058,560		6,410,834
Cash and cash equivalents at end of period			5,609,862		7,058,560

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

Company Information

Fespa Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Holmbury, The Dorking Business Park, Dorking, Surrey, RH4 1HJ.

1.1 Accounting convention

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 the requirements of the Companies Act 2006.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company meets its day to day working capital requirements through cash resources. The directors are satisfied that the company will have no cash flow restrictions in the next 12 months. Therefore the directors have prepared the accounts on a going concern basis.

1.3 Reporting period

The current reporting period has been shortened to 9 months from 1 April 2017 to 31 December 2017. The reporting date was changed to align the year end of the company with its subsidiaries, and to achieve more consistent reporting of results from year to year. The comparatives however reflect a 12 month period from 1 April 2016 to 31 March 2017.

1.4 Revenue

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Exhibition income is recognised when the event has taken place. To the extent that the costs are expected to be recoverable, exhibition costs arising in the year relating to future exhibitions are deferred until the exhibitions have taken place.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets include investment properties valued by the directors on an open market value basis. Other tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Straight line over 50 years
Fixtures, fittings & equipment	25% and 33% Straight line
Motor vehicles	25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.6 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The company contributes to the personal pension schemes of certain employees. Contributions payable are charged to the profit and loss account in the period they are payable.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.16 Functional currency

Since the euro forms the main currency in which the Company's business is transacted, the Company's reporting currency is the euro.

1.17 Deferred expenditure

The amount included in debtors for deferred expenditure represents expenses incurred on future events.

1.18 Deferred income

The amount included in creditors for deferred income represents income received on future events.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2017

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Going concern

Assessing whether the company is a going concern requires judgement. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have prepared cash flow and profit forecasts which show that the company can meet its financial obligations as they fall due. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Amounts due from group undertakings

Included in amounts receivable is €0.4m due from subsidiary undertakings. The directors have considered if this amount is recoverable and if there is any basis for making a provision against this amount. As a result a provision of €0.2m has been made against this amount due with the balance of €0.2m carried forward.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Non-depreciable land

The company owns leasehold property at a cost of €3.1m of which €0.9m is considered to be non-depreciable land as an estimate. The estimate is based on the information available to the company. If that estimate was incorrect it could have an impact on the amount of depreciation charged.

3 Revenue

An analysis of the company's revenue is as follows:

	€	€
Revenue analysed by geographical market		
Europe	10,624,077	218,798
Rest of world	331,631	1,370,049
	<u>10,955,708</u>	<u>1,588,847</u>

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	Period ended 31 December 2017 Number	Year ended 31 March 2017 Number
Administration	7	5
Exhibition	21	20
	<u>28</u>	<u>25</u>

Their aggregate remuneration comprised:

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Wages and salaries	1,441,173	2,004,740
Social security costs	149,301	206,041
Pension costs	33,383	28,062
	<u>1,623,857</u>	<u>2,238,843</u>

5 Directors' remuneration

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Remuneration for qualifying services	<u>169,113</u>	<u>287,431</u>

A termination payment of €23,000 was paid to the Director, Y Guvenen, when he resigned on 10th May 2017.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2017

6 Operating profit/(loss)

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Operating profit/(loss) for the period is stated after charging:		
Exchange losses	69,760	23,125
Fees payable to the company's auditor for the audit of the company's financial statements	25,963	25,252
Depreciation of owned property, plant and equipment	115,061	111,838
Loss on disposal of property, plant and equipment	18,333	28,176
Operating lease charges	-	57,379
	<u> </u>	<u> </u>

Exchange differences recognised in profit or loss during the period, except for those arising on financial instruments measured at fair value through profit or loss, amounted to €69,760 (2017 - €23,125).

7 Investment income

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Interest income		
Interest on bank deposits	2,071	4,336
Interest receivable from group companies	10,225	-
Other interest income	5,052	-
	<u> </u>	<u> </u>
Total interest revenue	17,348	4,336
Income from fixed asset investments		
Income from shares in group undertakings	199,387	-
	<u> </u>	<u> </u>
Total income	<u>216,735</u>	<u>4,336</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>2,071</u>	<u>4,336</u>
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8 Other gains and losses

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Amounts written off current loans	<u>200,000</u>	<u>-</u>

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

9 Finance costs

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	23,182	17,096
Other finance costs:		
Other interest	-	103
	<u>23,182</u>	<u>17,199</u>

10 Taxation

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Current tax		
UK corporation tax on profits for the current period	544,271	-
Adjustments in respect of prior periods	(54,649)	(597,994)
Total current tax	<u>489,622</u>	<u>(597,994)</u>

The actual charge/(credit) for the period can be reconciled to the expected charge/(credit) for the period based on the profit or loss and the standard rate of tax as follows:

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Profit/(loss) before taxation	<u>2,743,768</u>	<u>(2,917,678)</u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	521,316	(583,536)
Under/(over) provided in prior years	(54,649)	-
Dividend income	(37,884)	-
Foreign exchange differences	-	(868)
Non deductible expenses	41,593	5,810
Depreciation add back	21,862	22,368
Non chargeable income	(2,616)	(41,768)
Taxation charge/(credit) for the period	<u>489,622</u>	<u>(597,994)</u>

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

11 Intangible fixed assets

	Intellectual Property Rights €
Cost	
At 1 April 2017 and 31 December 2017	86,420
Amortisation and impairment	
At 1 April 2017 and 31 December 2017	86,420
Carrying amount	
At 31 December 2017	-
At 31 March 2017	-

12 Property, plant and equipment

	Land and buildings Leasehold €	Fixtures, fittings & equipment €	Motor vehicles €	Total €
Cost				
At 1 April 2017	3,117,736	592,511	86,523	3,796,770
Additions	-	6,776	-	6,776
Disposals	(19,469)	-	-	(19,469)
At 31 December 2017	3,098,267	599,287	86,523	3,784,077
Depreciation and impairment				
At 1 April 2017	18,035	321,023	46,003	385,061
Depreciation charged in the period	32,465	66,490	16,106	115,061
Eliminated in respect of disposals	(1,136)	-	-	(1,136)
At 31 December 2017	49,364	387,513	62,109	498,986
Carrying amount				
At 31 December 2017	3,048,903	211,774	24,414	3,285,091
At 31 March 2017	3,099,701	271,488	40,520	3,411,709

The carrying value of land and buildings includes £990,089 of non-depreciable land.

	31 December 2017 €	31 March 2017 €
Long leasehold	3,048,903	3,099,701

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2017

13 Fixed asset investments

	Notes	31 December 2017 €	31 March 2017 €
Investments in subsidiaries	14	806,250	806,250

Movements in non-current investments

	Shares in group undertakings €
Cost or valuation	
At 1 April 2017 & 31 December 2017	827,178
Impairment	
At 1 April 2017 & 31 December 2017	20,928
Carrying amount	
At 31 December 2017	806,250
At 31 March 2017	806,250

14 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Fespa Eurasia Fuarcilik A.S.	Turkey	Exhibition organisers	Ordinary	60.00
Fespa Mexico S De RL De CV	Mexico	Exhibition organisers	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) €	Capital and Reserves €
Fespa Eurasia Fuarcilik A.S.	(243,189)	(71,269)
Fespa Mexico S De RL De CV	134,515	277,200

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

15 Financial instruments

	31 December 2017 €	31 March 2017 €
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,220,011	1,868,479
Carrying amount of financial liabilities		
Measured at amortised cost	7,930,404	13,879,398

16 Trade and other receivables

	31 December 2017 €	31 March 2017 €
Amounts falling due within one year:		
Trade receivables	1,711,645	1,460,931
Deferred expenditure	2,173,392	3,498,483
Corporation tax recoverable	-	515,886
Amounts due from group undertakings	-	190,000
Other receivables	31,759	134,760
Prepayments and accrued income	450,392	97,818
	4,367,188	5,897,878
Amounts falling due after more than one year:		
Amounts due from group undertakings	207,548	217,548
Total debtors	4,574,736	6,115,426

17 Current liabilities

	31 December 2017 €	31 March 2017 €
Bank loan	-	76,054
Trade payables	343,189	602,085
Deferred income	6,379,688	10,290,728
Corporation tax	544,271	-
Other taxation and social security	79,765	45,194
Other payables	743,132	743,132
Accruals	464,395	416,049
	8,554,440	12,173,242

18

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

18 Borrowings

	31 December 2017 €	31 March 2017 €
Bank loans	-	1,827,404
Payable within one year	-	76,054
Payable after one year	-	1,751,350

All loans were repaid in full during the period ended 31st December 2017.

19 Non-current liabilities

	31 December 2017 €	31 March 2017 €
Bank loan	-	1,751,350

Amounts included above which fall due after five years are as follows:

Payable by instalments	-	1,430,579
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20 Retirement benefit schemes

	31 December 2017 €	31 March 2017 €
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	33,383	28,062

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

21 Financial commitments, guarantees and contingent liabilities

The company has provided security to a bank in the form of a debenture and legal charge over the leasehold property and associated assets.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

22 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum payments under non-cancellable arrangements for venue hire, which fall due as follows:

	31 December 2017 €	31 March 2017 €
Within one year	606,009	649,711
Between two and five years	1,685,840	80,101
	<u>2,291,849</u>	<u>729,812</u>

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Aggregate compensation	<u>681,737</u>	<u>562,261</u>

During the period, the company received a marketing fee of €246,892 (March 2017: €196,958) and a dividend of €199,387 (March 2017: €nil) from FESPA Mexico S De RL De CV, a subsidiary of the company.

During the period, the company charged a marketing fee of €60,000 (March 2017: €60,000) to FESPA Eurasia Fuarcilik A.S. a subsidiary of the company. This balance was still outstanding as at the year end.

Additionally, at the balance sheet date, the company was owed €407,548 (March 2017: €407,548) by FESPA Eurasia Fuarcilik A.S. Loan interest of €10,225 (March 2017: €nil) was received in respect of this loan. A provision of €200,000 has been made against the loan leaving a balance of €207,548.

Certain members of the company are also members of the Screenprinting Development Foundation. Included in other creditors is €743,132 (March 2017: €743,132) owed to the Screenprinting Development Foundation (SDF).

During the period, the company entered into currency transactions with Augustus Martin Limited to the value of £nil (March 2017: £75,000) at the exchange rate prevailing at the date of the transaction. Augustus Martin Limited is jointly controlled by L.A. Barrow, a director of the company.

During the year the company paid a consultancy fee of €20,800 (March 2017: €nil) to European Sign Federation (ESF) for services in relation to the European Sign Show.

24 Controlling party

Control of the company is vested in the individual members, the individual screen printing associations of various countries. No one member has overall control.

FESPA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2017

25 Cash generated from operations

	Period ended 31 December 2017 €	Year ended 31 March 2017 €
Profit/(loss) for the period after tax	2,254,146	(2,319,684)
Adjustments for:		
Taxation charged/(credited)	489,622	(597,994)
Finance costs	23,182	17,199
Investment income	(216,735)	(4,336)
Loss on disposal of property, plant and equipment	18,333	28,176
Depreciation and impairment of property, plant and equipment	115,061	111,838
Other gains and losses	200,000	-
(Decrease) in provisions	-	(51,030)
Movements in working capital:		
Decrease/(increase) in trade and other receivables	721,803	(4,964,252)
(Decrease)/increase in trade and other payables	(3,984,018)	10,283,518
Cash (absorbed by)/generated from operations	(378,606)	2,503,435