

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2019

MARCUS EVANS (NL)
LIMITED



MENZIES
BRIGHTER THINKING

MARCUS EVANS (NL) LIMITED

COMPANY INFORMATION

Director	M Van Os
Company secretary	M Studd
Registered number	03951829
Registered office	Magnus House 7th Floor 3 Lower Thames Street London EC3R 6HE
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Centrum House 36 Station Road Egham Surrey TW20 9LF

MARCUS EVANS (NL) LIMITED

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MARCUS EVANS (NL) LIMITED

REGISTERED NUMBER:03951829

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019

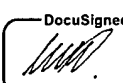
	Note	2019 £	2018 £
Fixed assets			
Investments	4	1	1
		<u>1</u>	<u>1</u>
Current assets			
Debtors: amounts falling due within one year	5	3,270	4,445
Cash at bank and in hand		8,262	79,881
		<u>11,532</u>	<u>84,326</u>
Creditors: amounts falling due within one year	6	(1,849,966)	(2,028,025)
Net current liabilities		<u>(1,838,434)</u>	<u>(1,943,699)</u>
Total assets less current liabilities		<u>(1,838,433)</u>	<u>(1,943,698)</u>
Net liabilities		<u>(1,838,433)</u>	<u>(1,943,698)</u>
Capital and reserves			
Called up share capital		501	501
Share premium account		3,900,500	3,900,500
Foreign exchange reserve		(297,065)	(291,648)
Profit and loss account		(5,442,369)	(5,553,051)
		<u>(1,838,433)</u>	<u>(1,943,698)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

DocuSigned by:

 078F0AE44803472.....
M Van Os
 Director

Date: 22-Jun-2021

The notes on pages 3 to 6 form part of these financial statements.

MARCUS EVANS (NL) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Called up share capital £	Share premium account £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 October 2017	501	3,900,500	(271,573)	(5,636,870)	(2,007,442)
Comprehensive income for the year					
Profit for the year	-	-	-	83,819	83,819
Currency translation differences	-	-	(20,075)	-	(20,075)
Total comprehensive income for the year	-	-	(20,075)	83,819	63,744
At 1 October 2018	501	3,900,500	(291,648)	(5,553,051)	(1,943,698)
Comprehensive income for the year					
Profit for the year	-	-	-	110,682	110,682
Currency translation differences	-	-	(5,417)	-	(5,417)
Total comprehensive income for the year	-	-	(5,417)	110,682	105,265
At 30 September 2019	501	3,900,500	(297,065)	(5,442,369)	(1,838,433)

The notes on pages 3 to 6 form part of these financial statements.

MARCUS EVANS (NL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. General information

Marcus Evans (NL) Limited is a private company limited by shares, registered in England and Wales. The address of its registered office and principal place of business is Magnus House, 7th Floor, 3 Lower Thames Street, London, EC3R 6HE.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes the company will continue to trade in operational existence for the foreseeable future.

In March 2020, the World Health Organisation declared a global pandemic linked to the outbreak of COVID-19, and in response the UK government along with many governments worldwide introduced stringent social and economic lockdown measures to contain and control the spread of the virus. These measures have had a significant impact on the global economy, and on trading conditions for the business.

Management has been evaluating the impact of the COVID-19 virus on its business operations and its customers' business operations, including the reduction in revenues. In response, the Company has taken action to reduce operating costs while the economy emerges from the impacts of the COVID-19 outbreak. Management have provided detailed financial projections for a period of 12 months following the date of approval of these financial statements based on a range of different sales assumptions. These are based on assumptions that the directors consider to be reasonable and achievable in light of the recent sales experience and on the basis that recent trading based on unaudited management information in the last quarter has been profitable.

A group company, Marcus Evans Holdings IOM Ltd, has confirmed that it will currently continue to provide financial resources as may be required for the company to meet its financial commitments as they fall due for at least twelve months from the date of approval of these financial statements, and as long as the pandemic is ongoing and the uncertainty to offer in-person events, monthly reviews of the companies solvency are being conducted and at the moment of signing the accounts the company has a reasonable prospect to continue to trade as at the moment short term creditors as well as salaries can be paid as and when they fall due. There is uncertainty as to whether the company can trade as a going concern for a longer period (12 months) as much will depend on the unknown date of the lifting the current travel restrictions, quarantine regulations and other Covid related restrictive measures.

Marcus Evans IOM Ltd has confirmed that currently, as a major creditor of the UK company, it will not demand repayment of the amounts outstanding until such a time that the company is able to make repayments without having a detrimental impact on the company. The period for not demanding payment is at least 12 months from the date of signing these financial statements.

Considering the above and despite the strong cash position of the Marcus Evans Group, that makes it possible, at the holding company's discretion, to make funding available from within the group to pay short term creditors as well as salaries for a period of at least 12 months from the date of approval of these financial statements the current uncertain conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to in the long term continue as a going concern as much will depend on the speed of economies reopening due to the impact of Covid and in particular the reopening of the UK to foreign business travellers upon whom the company's business relies on.

MARCUS EVANS (NL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional currency is the Euro, being the currency of the primary economic environment in which the company operates, and its 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.

2.4 Revenue

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

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

2.5 Event related expenses

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

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Financial instruments

The Company 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.

2.8 Operating leases: the Company as lessee

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

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2018 - 16).

MARCUS EVANS (NL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2018	4,096,000
At 30 September 2019	4,096,000
Impairment	
At 1 October 2018	4,095,999
At 30 September 2019	4,095,999
Net book value	
At 30 September 2019	1

5. Debtors

	2019 £	2018 £
Other debtors	3,270	4,445
	<u>3,270</u>	<u>4,445</u>

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	63,499	15,269
Amounts owed to group undertakings	1,715,617	1,938,273
Other taxation and social security	25,073	24,524
Other creditors	45,777	49,959
	<u>1,849,966</u>	<u>2,028,025</u>

MARCUS EVANS (NL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

7. Commitments under operating leases

At 30 September 2019 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2019 £	2018 £
Not later than 1 year	49,040	10,238
Later than 1 year and not later than 5 years	8,173	-
	<u>57,213</u>	<u>10,238</u>

8. Post balance sheet events

In March 2020, the World Health Organisation declared a global pandemic linked to the outbreak of COVID-19, and in response the UK government along with many governments worldwide introduced stringent social and economic lockdown measures to contain and control the spread of the virus. These measures have had a significant impact on the global economy, and on trading conditions for the business.

The Company has implemented its business continuity plans in response to this outbreak and the business is continuing to provide services to client with employees working remotely although transaction level have reduced significantly.

Due to the current uncertainty regarding the scope, duration and severity of the COVID-19 outbreak, the Company is unable to estimate the potential impact it may have on its business and financial condition. If the reduction in transactions were to continue, the Company's financial condition could be materially adversely affected.

9. Parent company

The parent company of the smallest and largest group of which the company is a member and for which group accounts are prepared is Marcus Evans Conferences Ltd (Formerly Marcus Evans (UK Holdings) Limited), the address of its registered office and principal place of business is Magnus House, 7th Floor, 3 Lower Thames Street, London, EC3R 6HE.

10. Auditors' information

The auditors' report of the year ended 30 September 2019 gave an unmodified audit opinion, however a material uncertainty relating to going concern was identified and reported as follows:

We draw attention to note 2.2 in the financial statements, which indicates that the company has the continued support of the parent company and, as the company's main creditor, will not demand repayment of the amounts outstanding until such a time that the company has sufficient assets to repay them. There is further uncertainty with regards to going concern due to the impact the COVID-19 pandemic has had on the group and hospitality industry.

As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

The audit report was signed by Andrew Cook FCA (Senior statutory auditor) on behalf of Menzies LLP, Chartered Accountants and Statutory Auditor.