

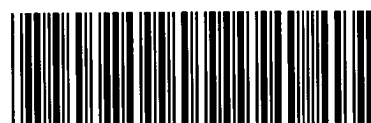
REGISTERED NUMBER 06916747

TELEGRAPH EVENTS LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2017

WEDNESDAY



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STRATEGIC REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The directors present their strategic report of the Company for the financial year ended 31 December 2017.

BUSINESS REVIEW

The Company (incorporated in the United Kingdom, Registered Number 06916747) is an event organiser and magazine publisher.

Telegraph Events Limited is a leading organiser of premium UK Business to Consumer (B2C) exhibitions and Business to Business (B2B) conferences. Established B2C annual events organised during the financial year include The Telegraph Travel Show, The London Bike Show, Outdoor Adventure Show, Triathlon Show, Be:Fit Show, Rouleur Classic, Ski & Snowboard Show and the Salon QP Fine Watch Exhibition. The business publishes the seasonal Ski & Snowboard magazine and the bi-monthly QP Magazine and SalonQP.com.

The B2B conference unit organised the following events during the financial year: Business of Sport, Cyber Security, Digital Leaders and Britain's Smart Cities, Digital Enterprise Network and the Telegraph Festival of Business conferences. Bespoke Events include the Telegraph Gin Experience and the Telegraph Whisky Experience plus other activation events for subscribers and advertisers on an opportunistic basis in the books, culture, film and sport categories.

The Company incurred an operating loss for the financial year before exceptional items of £436,000 (*2016: profit of £279,000*). Operating loss for the financial year after exceptional items is £585,000 (*2016: profit of £279,000*). The results of the Company for the financial year are set out in the Income Statement on page 7. No dividends were declared during the year (*2016: £nil*).

The Company delivered a disappointing trading performance whilst acknowledging the challenging advertising market during the financial year. In response to these results and market conditions, the directors have undertaken a wide ranging review of the current portfolio and have set out a strategy for the Company that is more aligned to the strategy of the overall business of its immediate parent company, Telegraph Media Group Limited. Progressive changes have been made to the organisational structure and operations to ensure the Company is well positioned to respond to changing market conditions and can support the delivery of the strategy. The business remains focused on enhancing value for our exhibitors, sponsors and brands by delivering the required quality and quantity of visitors and delegates and by continually innovating on show and conference content and experiences.

Post the financial year end, the Company divested itself of The London Bike Show, Outdoor Adventure Show, Triathlon Show, Be:Fit Show, QP Salon Fine Watch Exhibition, QP Magazine and SalonQP.com, all non-core B2C events, in two separate sale transactions. The Company did not renew the Rouleur Classic show beyond the 2017 event.

The directors anticipate an upturn in trading performance in 2018 as the business focuses on premium and brand enhancing events more aligned to the immediate parent company's business strategy and benefits from more established B2B conferences and bespoke events.

FUTURE DEVELOPMENTS

The directors have decided to transfer all operations of the Company within 12 months from signing this report, to the Company's immediate parent company. The directors intend to make the Company dormant after this transfer of business undertakings.

STRATEGIC REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 - CONTINUED

KEY PERFORMANCE INDICATORS

Management monitor financial and non-financial progress of the Company through the following KPIs:

Financial	2017	2016
	£'000	Restated £'000
Turnover	7,567	7,758
Operating (loss)/profit before exceptional items	(436)	279
Operating margin	(5.8%)	3.6%
Non – Financial	2017	2016
	Number	Number
B2C exhibitions	9	9
B2B conferences	8	9
Bespoke events	13	15

PRINCIPAL RISKS AND UNCERTAINTIES

There is an ongoing process for the identification, evaluation and management of significant risks faced by the Company. The business is reliant on exhibition stand revenues, sponsorship, visitor and delegate numbers and the key to our success is a focus on securing the right tenancies, creating and delivering quality content and experiences for our exhibitors, sponsors, brands and customers. Brand extensions into B2B conferences and bespoke events, and possible acquisitions or joint ventures are the key to the further growth of the business.

FINANCIAL RISK MANAGEMENT

The Company is not exposed to any significant interest rate risk. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the Balance Sheet are net of allowances for doubtful debts, estimated on prior experience and assessment of the current economic climate.

Liquidity risk arises from timing differences between cash inflows and outflows. These risks are managed through the Group providing adequate funding to meet anticipated future requirements. These resources, together with the expected future cash flows to be generated by the business, are regarded as sufficient to meet the anticipated funding requirements of the Company for at least the next twelve months from the date of signing the financial statements.

GOING CONCERN

Financial support committed by the parent Company together with the future expected cash flows to be generated by the business, are regarded as sufficient to meet the anticipated funding requirement of the Company. However, the financial statements have been prepared other than going concern given the Company will transfer all operations to the Company's immediate parent company within 12 months from signing this report and subsequently becoming dormant.

On behalf of the Board



R Mowatt

Director

22nd June 2018

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The directors present their report and the audited financial statements of the Company, for the financial year ended 31 December 2017.

The Company has chosen in accordance with section 414c(11) of the Companies Act 2006 to include such matters of strategic importance to the Company in the strategic report which would otherwise be required to be disclosed in the Directors' Report. These matters include commentary on future developments and disclosures in relation to dividends.

PRINCIPAL ACTIVITIES

The Company is an event and conference organiser and magazine publisher. The Company is planning to transfer all operations to its immediate parent within 12 months from signing this report and will become dormant.

DIRECTORS OF THE COMPANY

The directors of the Company who were in office during the year and up to the date of signing the financial statements unless otherwise stated were:

N Hugh (appointed 14th June 2017)
D King (resigned 1st February 2017)
R Mowatt
D Norman (resigned 6th November 2017)
F Ronayne

The Company has entered into qualifying third party indemnity arrangements for the benefit of all its directors, which were in force during the financial year and also at the approval date of the financial statements.

EMPLOYEES

The commitment, innovation and drive of our employees are core to the ongoing development and success of our business. The Company pursues a policy of equal opportunities for all employees and potential employees. The Company offers equal employment opportunities to disabled persons and suitable retraining is provided wherever practicable for employees who become disabled during service.

The Company continues to provide a competitive range of benefits to employees, including the opportunity to join the Telegraph Staff Pension Plan, which is a defined contribution scheme and other initiatives enabling employees greater flexibility in their work-life choices through the Telegraph's Benefits Xchange scheme.

The Company continues to offer career enhancement to its employees by way of relevant management and personal development courses with the aim of ensuring that our staff have the right skill to operate in the digital landscape.

Apprenticeships, internships and work experience policies are in place to ensure that the Company offers high quality opportunities to attract students from all backgrounds, to ensure fair and equitable access into our business.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account, within the limitations of commercial confidentiality, when decisions are made that are likely to affect their interests and that all employees are aware of the Company's vision, purpose and strategy and of the financial and economic performance of their business units and of the Company as a whole. Communication with all employees continues through management briefings, regular heads of department briefings, the establishment of an employee forum, staff surveys and a company intranet.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 – CONTINUED**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the report and 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 prepared the financial statements in compliance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland", 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 DIRECTORS' DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware. Each of the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board



R Mowatt
Director
22nd June 2018

Independent auditors' report to the members of Telegraph Events Limited**Report on the financial statements****Our opinion**

In our opinion, Telegraph Events Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2017; the Income Statement and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of preparation.

The going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern, given that the Company is planning to transfer all operations to its immediate parent and become dormant within 12 months from signing this report. No adjustments were necessary in these financial statement to reduce assets to their realisable values from the decision. Adjustments were made to amounts owed to group undertaking.

Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit**Responsibilities of the directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Julian Jenkins (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22nd June 2018

INCOME STATEMENT

for the financial year ended 31 December 2017

		2017	2016
		£'000	Restated £'000
	Note		
Turnover	2	7,567	7,758
Cost of sales		(7,518)	(6,999)
Gross profit		49	759
Administrative expenses		(634)	(480)
Operating (loss)/profit	3	(585)	279
Attributable to			
Operating (loss)/profit before exceptional items		(436)	279
Exceptional items	4	(149)	-
		(585)	279
(Loss)/profit on ordinary activities before taxation		(585)	279
Tax on (loss)/profit on ordinary activities	7	-	-
(Loss)/profit for the financial year		(585)	279

All the above results are derived from continuing operations.

There are no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year stated above and the historical cost equivalents.

The notes on pages 10 to 15 form part of these financial statements.

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

BALANCE SHEET

as at 31 December 2017

Company Registered Number: 06916747

		31 Dec 2017	31 Dec 2016 Restated
	Note	£'000	£'000
Current assets			
Stocks	8	500	913
Debtors	9	1,834	2,227
Cash at bank and in hand		416	289
		<u>2,750</u>	<u>3,429</u>
Creditors: amounts falling due within one year	10	<u>(3,737)</u>	<u>(4,756)</u>
Net current liabilities		<u>(987)</u>	<u>(1,327)</u>
Total assets less current liabilities		<u>(987)</u>	<u>(1,327)</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		(988)	(1,328)
Total equity		<u>(987)</u>	<u>(1,327)</u>

These financial statements on pages 7 to 15 were approved by the board of directors on 22nd June 2018 and were signed on its behalf by



F Ronayne
Director



N. Hugh
Director

The notes on pages 10 to 15 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2017

	Note	Called up share capital £'000	Profit and loss account Restated £'000	Total equity Restated £'000
At 1 January 2017		1	(1,328)	(1,327)
Loss for the financial year		-	(585)	(585)
Parent Company loan write off (equity contribution)	10	-	925	925
At 31 December 2017		1	(988)	(987)

for the financial year ended 31 December 2016

		Called up share capital £'000	Profit and loss account Restated £'000	Total equity Restated £'000
At 1 January 2016		1	(1,607)	(1,606)
Profit for the financial year		-	279	279
At 31 December 2016		1	(1,328)	(1,327)

The notes on pages 10 to 15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017****1. ACCOUNTING POLICIES**

The principal accounting policies, all of which have been applied consistently throughout all years presented, are set out below;

(a) Statement of compliance

The individual financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

(b) Basis of preparation

The financial statements have been prepared in Sterling (rounded to the nearest thousand pounds), which is the presentation and functional currency of the Company, and under the historical cost convention. A summary of the principal accounting policies which have been applied consistently are set out below.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12(b) and has not published a cash flow statement as it is a subsidiary undertaking of Press Acquisitions Limited, whose consolidated financial statements are publicly available and include such a statement.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12(c) and has made only limited disclosure in respect of financial instruments.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12(e) and has not disclosed Key management personnel compensation in total.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 33.1(a) and has not disclosed transactions or balances with entities which form part of the group or are disclosed in the group financial statements.

The Company has changed its accounting policy in relation to employment costs incurred on future events. Employment costs are now charged direct to the income statement as incurred whereas in prior years employment costs were deferred and only charged to the income statement when the event was held. The net current year credit of £178k (2016: net charge £4k) represents the difference between employment costs incurred in 2017 of £369k (which would previously have been deferred) and employment costs that were incurred in the prior year (£547k) and previously deferred to future years. Stocks as at 31st December 2016 have been restated and reduced by £547k and the Profit and Loss reserve account at 1 January 2016 has been restated and reduced by £543k.

(c) Basis other than Going Concern

The going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern, given that the Company is planning to transfer all operations to its immediate parent and become dormant within 12 months from signing this report.

No adjustments were necessary in these financial statements to reduce assets to their realisable values from the decision. Adjustments were made to amounts owed to group undertaking.

(d) Stocks

Stocks are valued at cost. Stocks represent prepaid costs and expenses in advance of conferences, events and exhibitions being held. Excluded from these costs are employment costs.

(e) Deferred Income

Deferred income represents receipts from subscribers in advance of goods and services being provided and receipts from consumers, exhibitors and sponsors in advance of events being held. This income is classified as part of Creditors due within one year.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017****1. ACCOUNTING POLICIES – CONTINUED***(f) Provisions*

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and the amount can be reliably estimated. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

(g) Turnover

Turnover represents sales to third parties and is stated net of commissions and trade discounts, and excludes value-added tax and other sales taxes. Event ticket sales, exhibition stand revenues and sponsorship revenues are recognised on the date of the event. Publishing revenues are recognised at the time of sale or over the period of the online campaign in accordance with the provision of services. Other revenue is recognised at the time of sale or over the duration of the provision of services as appropriate.

(h) Exceptional Items

Exceptional items are transactions that fall within the activities of the Company but are presented separately by virtue of their nature or size to assist in understanding the financial performance of the Company.

(i) Taxation

The charge for taxation is based on the result for the financial year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised for all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the Company's taxable profit and loss and its results as stated in the financial statements. No deferred tax is recognised on permanent differences.

Deferred tax is measured at the average tax rates that are expected to apply in the financial year in which the timing differences are expected to reverse based on tax rates and law that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

(j) Pension costs

The costs of defined contribution schemes are charged to the income statement as the obligation to pay arises.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with generally accepted accounting principles requires the directors to make estimates and assumptions in certain circumstances that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from these estimates. In this regard, the directors believe the critical accounting policies where judgements or estimations are necessarily applied are summarised below:

1. ACCOUNTING POLICIES - CONTINUED

TRADE RECEIVABLES

The Company reviews trade receivables and makes judgements on the recoverability of these receivables with reference to the age of the outstanding amounts, credit status of the counterparty and the status of any outstanding dispute.

2. TURNOVER

Turnover arises from conference, event, exhibition and publishing activities within the United Kingdom and all relate to continuing operations.

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2017 £'000	2016 Restated £'000
Auditors' remuneration for the audit of the Company	8	7
Employment costs (including directors)	2,467	2,542
Exceptional item (see note 4)	149	-

4. EXCEPTIONAL ITEM

	2017 £'000	2016 £'000
Compensation for loss of office (see note 5)	149	-
Exceptional item included in operating (loss)/profit	149	-

5. DIRECTORS' EMOLUMENTS

Emoluments of the directors':

	2017 £'000	2016 £'000
Aggregate emoluments	116	200
Company contributions to defined contribution schemes	9	10
Compensation for loss of office	149	-
	274	210

The contributions made by the Company to defined contribution schemes were on behalf of one (2016: one) director.

6. EMPLOYEE INFORMATION

(a) Monthly average number of persons (including directors) employed by the Company during the financial year:

	2017 Number	2016 Number
Events, conferences, exhibitions, magazine and administration	47	46

All of the staff included above have contracts with Telegraph Publishing Limited, a fellow subsidiary of the Company's parent company. As all charges under these contracts are met directly by the Company, for the purposes of the annual financial statements of the two companies, the directors regard these staff as being employed by Telegraph Events Limited.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017
6. EMPLOYEE INFORMATION - CONTINUED

(b) Employment costs (including directors) during the financial year:

	2017 £'000	2016 Restated £'000
Salaries and wages	2,082	2,171
Social security costs	234	228
Other pension costs	151	143
	<u>2,467</u>	<u>2,542</u>
Compensation for loss of office costs shown in exceptional items (see note 4)	149	-
Total	<u>2,616</u>	<u>2,542</u>

7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	2017 £'000	2016 £'000
Analysis of charge for the financial year		
<i>Current tax:</i>		
UK corporation tax on (loss)/profit for the financial year	-	10
Adjustments in respect of previous year	-	(10)
Total current tax	-	-
Tax credit/(charge) on (loss)/profit on ordinary activities	-	-

Factors affecting the tax charge for the financial year

The tax charge for the financial year is higher (2016: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2017 £'000	2016 Restated £'000
(Loss)/Profit on ordinary activities before taxation	(585)	279
Losses utilised in the financial year	-	(276)
Taxable (loss)/profit	<u>(585)</u>	<u>3</u>
Tax credit/(charge) at 19.25% (2016: 20.00%)	113	(1)
Effects of:		
Deemed interest expenditure on intercompany loan balances	15	16
Expenses not deductible for tax purposes	(13)	(5)
Group relief for nil consideration	(220)	-
Adjustments to tax charge in respect of previous years	105	(10)
Total tax credit/(charge) for the financial year	<u>-</u>	<u>-</u>

The main rate of corporation tax in the UK is currently 19.00%. Accordingly, the Company's profits for the accounting year to 31 December 2017 were taxed at an effective rate of 19.25% (2016: 20.00%).

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

8. STOCKS

	2017	2016
	£'000	Restated £'000
Work in Progress	<u>500</u>	<u>913</u>

The Work in Progress includes costs and expenses which have been incurred and prepaid in relation to future conferences, events and exhibitions.

9. DEBTORS

	2017	2016
	£'000	£'000
Trade debtors	1,717	1,775
Other debtors	54	7
Prepayments and accrued income	63	445
	<u>1,834</u>	<u>2,227</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£'000	£'000
Trade creditors	416	547
Amounts owed to group undertakings (see (a) below)	1,943	2,327
Taxation and social security	107	69
Accruals and deferred income	1,271	1,813
	<u>3,737</u>	<u>4,756</u>

(a) Amounts owed to group undertakings

Amounts owed to group undertakings includes a loan of £600,000 (2016: £1,525,000) from Telegraph Media Group Limited, the Company's immediate parent company. The loan has been written down by £925,000 during the year to reflect the amount that is realisable from the Company.

11. CALLED UP SHARE CAPITAL

	2017	2016
	£'000	£'000
Authorised:		
1,000 (2016: 1,000) ordinary shares of £1 each	<u>1</u>	<u>1</u>
Issued, called up and fully paid:		
1,000 (2016: 1,000) ordinary shares of £1 each	<u>1</u>	<u>1</u>

12. PENSIONS

Company employees are entitled to join the Telegraph Staff Pension Plan ("the Plan") which is a defined contribution scheme.

At 31 December 2017 contributions of £nil (31 December 2016: £nil) were due to the Plan.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**
13. RELATED PARTIES

The Group has taken advantage of the exemption contained in FRS 102 paragraph 33.1(a) and has not disclosed details of transactions with other group companies within the Telegraph Events Limited group.

RELATED PARTY TRANSACTIONS WITH PARENT COMPANY

	2017 £'000	2016 £'000
Telegraph Media Group Limited		
Creditor transactions with parent company	(541)	(362)
Parent company loan write off	925	-
	<u>384</u>	<u>(362)</u>

RELATED PARTY BALANCES PAYABLE TO PARENT COMPANY

	2017 £'000	2016 £'000
Included in creditors: amounts owing to parent company		
Telegraph Media Group Limited		
- Loan	600	1,525
- Creditor balances	1,343	802
	<u>1,943</u>	<u>2,327</u>

There are no other related party transactions during the year.

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company's immediate parent company is Telegraph Media Group Limited, incorporated in Great Britain. The immediate parent company of Telegraph Media Group Limited is Press Acquisitions Limited. The directors regard these companies as being ultimately controlled by Sir David and Sir Frederick Barclay's Family Settlements.

The largest and smallest group in which the results of the Company are consolidated and publicly available is that of which Press Acquisitions Limited is the parent company. The consolidated financial statements of Press Acquisitions Limited may be obtained from its registered office, 2nd Floor, 14 St George Street, London W1S 1FE.

15. SUBSIDIARY COMPANIES

As at 31 December 2017, the sole subsidiary company which was incorporated in England and Wales and registered at 111 Buckingham Palace Road, London, SW1W 0DT, was:

<u>Subsidiary Companies</u>	<u>Nature of business</u>	<u>Class and proportion of nominal value and voting rights of issued shares held</u>
QP Magazine Limited	Dormant	Ordinary shares – 100%