

Company Registration No. 08245994 (England and Wales)

**Stage Electrics Group Limited**

**Annual report and  
group financial statements  
for the year ended 31 July 2022**

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## **Stage Electrics Group Limited**

### **Company information**

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<b>Directors</b>	Trevor Smallwood John Laycock David Coull Andrew Preece William Rogers
<b>Secretary</b>	Quayseco Limited
<b>Company number</b>	08245994
<b>Registered office</b>	Encore House Unit 3 Britannia Road Patchway Bristol BS34 5TA
<b>Independent auditor</b>	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ
<b>Bankers</b>	Barclays Bank plc 86 Queens Road Clifton Bristol BS8 1RB
<b>Solicitors</b>	Burges Salmon LLP One Glass Wharf Bristol BS2 0ZX

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## **Stage Electrics Group Limited**

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## Stage Electrics Group Limited

### Strategic report

For the year ended 31 July 2022

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The directors have pleasure in presenting the Strategic Report the Director's Report and the financial statements for the year ended 31 July 2022.

#### Fair review of the business

The Company continued to recover strongly from the effects of the pandemic, with revenues increasing by 24.7% compared to the previous year. Costs were well controlled in the face of increased activity and growing inflation. The Company delivered a profit before tax of £785k in the period (2021: £373k) and a profit after tax of £668k (2021: £348k).

The Company focuses on customer service and delivering quality products and services. However, supply chain issues continue to impact the Company's ability to deliver some products and services as promptly as it has done in the past. Stock levels are therefore carefully monitored and managed, with the business continuing to work closely with its suppliers and customers to overcome ongoing supply chain-related challenges.

#### Principal risks and uncertainties

The management of the business, and the execution of the Group's strategy, are subject to several risks. The key risks and uncertainties include price inflation, supply chain issues and an economic downturn.

These risks are mitigated and monitored through close cooperation with key suppliers, identifying and developing potential business opportunities, regular review of business risks, economic data, market trends and the available Arts, Government and Trade Body support initiatives that might impact the sector(s).

#### Development and performance

Trading after the year-end has been broadly in line with expectations, with revenues for the full year currently forecast to increase by 10% compared to the year to July 2022. Budgeted operating profit is expected to be exceeded in the same period.

#### Key performance indicators

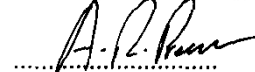
Gross margin for the year was 33% (2021: 35%), with profit before tax being 3.8% this year against 2.4% in 2021. There is a continued focus on margin management and controlling overheads. The cessation of Government Covid support (through furlough grants) early in the year led to an increase in net overhead costs, as revenue and activity returned to normal levels.

#### Future outlook

As noted above, trading after the year end is in line with expectations, with demand and revenues continuing to grow. As a result, revenues and profitability are expected to continue to improve steadily.

The Company continues to maintain a strong cash and balance sheet position.

On behalf of the board



Andrew Preece

Director

Date: 25<sup>th</sup> April 2023

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## **Stage Electrics Group Limited**

### **Directors' report**

**For the year ended 31 July 2022**

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The directors present their annual report and financial statements for the year ended 31 July 2022.

#### **Principal activities**

The principal activity of the group during the year continued to be the sale, installation, inspection and servicing of lighting and sound equipment for the entertainment, construction and leisure industries.

#### **Results, bonuses and dividends**

The results for the year are set out on page 9.

The Company put in place a staff bonus scheme for the year to July 2022, under which all employees shared a proportion of any over performance by the Company against its budgeted operating profit. The Company's operating profit for the year comfortably exceeded budget. As a result, an all-staff bonus in excess of £150k was paid shortly after the year-end.

As noted in last year's report, the Company was pleased to be able to pay shareholders, who have only received one dividend in the previous 8 years whilst fully supporting the Group during that period, a dividend totalling £1m in January 2022. A further dividend of £412k was paid in July 2022.

#### **Directors**

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

Trevor Smallwood

John Laycock

David Coull

Andrew Preece

William Rogers

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### **Auditor**

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

## Stage Electrics Group Limited

### Directors' report (continued) For the year ended 31 July 2022

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#### Energy and carbon report

The Company has made a commitment to halve its measured science-based carbon emissions by 2030 and become Net Zero by 2050.

The table below shows the progress made by the Company to date against the 2019 base year:

	2019	2022
<i>Emissions of CO2 equivalent</i>	<b>metric tonnes</b>	<b>metric tonnes</b>
Scope 1	240.00	137.00
Scope 2	38.00	19.00
Scope 3	144.00	72.00
	<hr/>	<hr/>
Total gross emissions	422.00	228.00
	<hr/>	<hr/>

Note: The above data includes all scope 1 & 2 emissions and the "Employee Commuting" (including "Working from home") for scope 3. The Group is committed to measuring and reporting its scope 3 emissions and is currently working out how it can best gather this important data from its value chain.

To achieve its emissions reduction targets, the Company will continue with its existing carbon reduction projects and intends to implement initiatives, including, but not limited to:

- Actively encouraging the sharing of carbon reduction, energy saving, and 'green' initiatives that colleagues can deploy at work and at home
- Continually reduce unnecessary business travel and continue to travel in the most sustainable way, i.e. car share/public transport etc.
- "Over the next 18 months, supply permitting, replace existing company cars with more carbon-efficient vehicles (for example, hybrid vehicles)."

The Company is proud to be an ISO 14001 certificated company. ISO 14001 is an international Environmental Management System standard that provides "assurance to company management and employees as well as external stakeholders that environmental impact is being measured and improved." The Company's commitment, and its actions, to reduce its business operations' impact on the planet are outlined in its Environmental Policy.

## Stage Electrics Group Limited

### Directors' report (continued)

For the year ended 31 July 2022

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#### 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

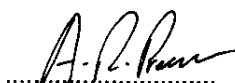
#### Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of its fair review of the business, details of the group's risks and uncertainties and also its future developments

#### 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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board



Andrew Preece

Director

Date: 25<sup>th</sup> April 2023

## **Stage Electrics Group Limited**

### **Independent auditor's report**

#### **To the members of Stage Electrics Group Limited**

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#### **Opinion**

We have audited the financial statements of Stage Electrics Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 July 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



## **Stage Electrics Group Limited**

### **Independent auditor's report (continued)**

#### **To the members of Stage Electrics Group Limited**

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#### **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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

## **Stage Electrics Group Limited**

### **Independent auditor's report (continued)**

#### **To the members of Stage Electrics Group Limited**

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#### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006 and UK Tax legislation.

#### **Audit response to risks identified**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

## **Stage Electrics Group Limited**

### **Independent auditor's report (continued)**

#### **To the members of Stage Electrics Group Limited**

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As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the parent 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 parent company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Neil Davies (Senior Statutory Auditor)**

**For and on behalf of Saffery Champness LLP**

Date: .....25/4/2023.....

**Chartered Accountants**

**Statutory Auditors**

St Catherine's Court  
Berkeley Place  
Clifton  
Bristol  
BS8 1BQ

**Stage Electrics Group Limited**

**Group statement of comprehensive income**  
**For the year ended 31 July 2022**

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	17,762,375	14,241,527
Cost of sales		(11,943,955)	(9,252,377)
<b>Gross profit</b>		5,818,420	4,989,150
Administrative expenses		(5,046,399)	(4,790,403)
Other operating income		27,360	615,034
Exceptional items	<b>4</b>	-	(419,556)
<b>Operating profit</b>	<b>5</b>	799,381	394,225
Interest payable and similar expenses	<b>8</b>	(14,043)	(21,244)
<b>Profit before taxation</b>		785,338	372,981
Tax on profit	<b>9</b>	(117,074)	(25,189)
<b>Profit for the financial year</b>		668,264	347,792

Profit for the financial year is all attributable to the owners of the parent company.

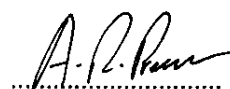
Total comprehensive income for the year is all attributable to the owners of the parent company.

**Stage Electrics Group Limited**

**Group statement of financial position  
As at 31 July 2022**

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Goodwill	11		301,531		402,900
Tangible assets	12		144,524		101,130
			<u>446,055</u>		<u>504,030</u>
<b>Current assets</b>					
Stocks	15	1,693,746		1,423,915	
Debtors	16	2,186,329		1,949,559	
Cash at bank and in hand		2,586,115		3,292,771	
		<u>6,466,190</u>		<u>6,666,245</u>	
<b>Creditors: amounts falling due within one year</b>	17	(3,960,982)		(3,296,565)	
<b>Net current assets</b>			<u>2,505,208</u>		<u>3,369,680</u>
<b>Total assets less current liabilities</b>			<u>2,951,263</u>		<u>3,873,710</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(474,476)		(734,177)
<b>Net assets</b>			<u>2,476,787</u>		<u>3,139,533</u>
<b>Capital and reserves</b>					
Called up share capital	22		509,245		509,245
Share premium account			99,950		99,950
Capital redemption reserve			98,012		98,012
Other reserves			80,990		-
Profit and loss reserves			<u>1,688,590</u>		<u>2,432,326</u>
<b>Total equity</b>			<u>2,476,787</u>		<u>3,139,533</u>

The financial statements were approved by the board of directors and authorised for issue on 25<sup>th</sup> April 2023 and are signed on its behalf by:



Andrew Preece  
Director

Company Registration No. 08245994 (England and Wales)

**Stage Electrics Group Limited**

**Company statement of financial position  
As at 31 July 2022**

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Investments	13	5,298,556	5,298,556
<b>Current assets</b>			
Cash at bank and in hand		673,275	4,770
<b>Creditors: amounts falling due within one year</b>	17	(940)	(940)
<b>Net current assets</b>		672,335	3,830
<b>Total assets less current liabilities</b>		5,970,891	5,302,386
<b>Creditors: amounts falling due after more than one year</b>	18	(4,792,415)	(4,718,369)
<b>Net assets</b>		1,178,476	584,017
<b>Capital and reserves</b>			
Called up share capital	22	509,245	509,245
Share premium account		99,950	99,950
Capital redemption reserve		98,012	98,012
Other reserves		80,990	-
Profit and loss reserves		390,279	(123,190)
<b>Total equity</b>		1,178,476	584,017

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,925,469 (2021 - £56,508 loss).

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

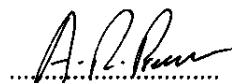
**Stage Electrics Group Limited**

**Company statement of financial position (continued)**

**As at 31 July 2022**

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The financial statements were approved by the board of directors and authorised for issue on ~~25<sup>th</sup> April 2023~~ and are signed on its behalf by:



Andrew Preece

**Director**

**Company Registration No. 08245994 (England and Wales)**

**Stage Electrics Group Limited**

**Group statement of changes in equity  
For the year ended 31 July 2022**

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 August 2020</b>		509,245	99,950	98,012	-	2,084,534	2,791,741
<b>Year ended 31 July 2021:</b>							
Profit and total comprehensive income for the year		-	-	-	-	347,792	347,792
<b>Balance at 31 July 2021</b>		509,245	99,950	98,012	-	2,432,326	3,139,533
<b>Year ended 31 July 2022:</b>							
Profit and total comprehensive income for the year		-	-	-	-	668,264	668,264
Dividends	10	-	-	-	-	(1,412,000)	(1,412,000)
Capital contribution		-	-	-	80,990	-	80,990
<b>Balance at 31 July 2022</b>		509,245	99,950	98,012	80,990	1,688,590	2,476,787



Stage Electrics Group Limited

Company statement of changes in equity  
For the year ended 31 July 2022

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 August 2020</b>		509,245	99,950	98,012	- (66,682)	640,525
<b>Year ended 31 July 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(56,508)	(56,508)
<b>Balance at 31 July 2021</b>		509,245	99,950	98,012	(123,190)	584,017
<b>Year ended 31 July 2022:</b>						
Profit and total comprehensive income for the year		-	-	-	1,925,469	1,925,469
Dividends	10	-	-	-	(1,412,000)	(1,412,000)
Transfers		-	-	80,990	-	80,990
<b>Balance at 31 July 2022</b>		509,245	99,950	98,012	390,279	1,178,476

**Stage Electrics Group Limited**

**Group statement of cash flows**  
**For the year ended 31 July 2022**

		2022	2021
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	26	995,627	842,001
Interest paid		(14,043)	(21,244)
Income taxes paid		(11,143)	(182,627)
<b>Net cash inflow from operating activities</b>		<b>970,441</b>	<b>638,130</b>
<b>Investing activities</b>			
Purchase of tangible fixed assets		(86,386)	(91,440)
Proceeds on disposal of tangible fixed assets		-	667
<b>Net cash used in investing activities</b>		<b>(86,386)</b>	<b>(90,773)</b>
<b>Financing activities</b>			
Capital contribution		80,990	-
Repayment of bank loans		(250,000)	(41,667)
Payment of finance leases obligations		(9,701)	38,778
Dividends paid to equity shareholders		(1,412,000)	-
<b>Net cash used in financing activities</b>		<b>(1,590,711)</b>	<b>(2,889)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(706,656)</b>	<b>544,468</b>
Cash and cash equivalents at beginning of year		3,292,771	2,748,303
<b>Cash and cash equivalents at end of year</b>		<b>2,586,115</b>	<b>3,292,771</b>

## **Stage Electrics Group Limited**

### **Notes to the group financial statements For the year ended 31 July 2022**

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#### **1 Accounting policies**

##### **Company information**

Stage Electrics Group Limited ("the company") is a private limited company incorporated in England and Wales. The registered office is Encore House, Unit 3 Britannia Road, Patchway, Bristol, BS34 5TA.

The group consists of Stage Electrics Group Limited and all of its subsidiaries as listed in note 14.

##### **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 sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

## Stage Electrics Group Limited

### Notes to the group financial statements (continued) For the year ended 31 July 2022

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#### 1 Accounting policies (continued)

##### 1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Stage Electrics Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 July 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The group has entered into a joint operation. This is not a separate entity and as such the group has not accounted for the operation under the equity method. The joint operation is accounted for as an ordinary contract in the group's operation reflecting the level of interest that the group holds as per the contractual agreement in place.

##### 1.3 Going concern

At the time of approving the financial statements, the Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group has a strong cash position and continues to exceed budgeted operating profit. The Directors have prepared prudent cash flows for the next 12 months, which show that the Group's cash position is expected to remain positive during that period. Therefore, the Directors continue to adopt the Going Concern basis of accounting in preparing these financial statements.

##### 1.4 Turnover

Turnover is taken on fixed price contracts while the contract is in progress, having regard to the proportion of the total contract which has been completed at the statement of financial position date, estimated by reference to the costs incurred to date versus the total estimated costs to completion. Provision is made for all foreseeable losses.

Turnover on equipment sales is recognised at the point of despatch.

Amounts recoverable on contracts represent turnover recognised, primarily on fixed price contracts, which has not yet been invoiced to clients net of any provision for unrecoverable amounts. Such amounts are separately disclosed within debtors.

Conversely, amounts due on contracts represent amounts invoiced before work carried out. Such amounts are separately disclosed within creditors

**1 Accounting policies (continued)**

**1.5 Intangible fixed assets - goodwill**

Goodwill arising on the acquisition of subsidiary undertakings represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

Negative goodwill arising on the acquisition of subsidiary undertakings represents the excess of the fair value of the identifiable assets and liabilities acquired over the fair value of the consideration. The excess is initially recognised in the statement of financial position. Subsequently, the excess exceeding the fair value of consideration is recognised in the statement of comprehensive income in the periods expected to be benefited.

**Trademarks**

Concessions, patents, licences and trademarks purchased by the Group are amortised to nil by equal annual instalments over their useful economic lives, generally their respective unexpired periods, of between three and five years.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Straight line over unexpired lease term - maximum 50 years
Plant and equipment	25% straight line basis
Fixtures and fittings	10% straight line basis
Motor vehicles	25% straight line basis

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 recognised in the income statement.

**1.7 Impairment of fixed assets**

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

**1 Accounting policies (continued)**

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 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Stocks are valued using the average costing method.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**1.9 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand. Bank overdrafts are shown within borrowings in current liabilities.

## 1 Accounting policies (continued)

### 1.10 Financial instruments

The group 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 group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

#### ***Basic financial assets***

Basic financial assets, which include debtors, 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.

#### ***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 group 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 group after deducting all of its liabilities.

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**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

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**1 Accounting policies (continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors, 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

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

**1.11 Equity instruments**

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

**1.12 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.



**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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

**1.13 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 fixed 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.

**1.14 Retirement benefits**

The group operates a defined benefit contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**1.15 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**

**For the year ended 31 July 2022**

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**1 Accounting policies (continued)**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leased asset are consumed.

**1.16 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**1.17 Exceptional costs**

Material items which fall outside the ongoing activities of the group are separately disclosed in the statement of comprehensive income where they are relevant to understanding the true and fair view of financial performance of the group for the period reported.

## 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group'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.

#### *Impairment of intangible assets*

The group considers whether intangible assets and/or goodwill are impaired on an annual basis. Where an indication of impairment is identified, the estimation of recoverable value requires an assessment of the cash generating units within it. This requires estimations of future cash flows from the cash generating units and also a selection of an appropriate discount rate in order to calculate the net present value of those cash flows.

#### *Revenue recognised in respect of long term contracts*

Revenue is recognised in respect of long term contracts. Revenue is recognised based on the cost of completion method and requires management's best estimate of the expected total costs to complete and the overall outcome of each contract in place. Related amounts due to or from long term contracts is included in the financial statements based on the agreed contract and management's knowledge of variations and modifications as the contract progresses, reflecting all available knowledge at each year end date.

## 3 Turnover and other revenue

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Sale of goods and related project management and installation services	16,171,036	12,676,959
Rendering of services	1,591,339	1,564,568
	<u>17,762,375</u>	<u>14,241,527</u>

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**Stage Electrics Group Limited****Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

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**3 Turnover and other revenue (continued)**

	2022	2021
	£	£
<b>Other revenue</b>		
Grants received	27,360	615,035

In the opinion of the directors, disclosure of information relating to turnover attributable to the markets supplied in the course of the year would be seriously prejudicial to the interests of the group, it is therefore not disclosed.

Other income recognised in the financial statements relates to government grants received under the Coronavirus Job Retention Scheme.

**4 Exceptional item**

	2022	2021
	£	£
<b>Expenditure</b>		
Internal restructuring cost	-	419,556

During the prior year, the group incurred costs in relation to internal restructuring.

**5 Operating profit**

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	1,537	(832)
Government grants	(27,360)	(615,035)
Depreciation of owned tangible fixed assets	33,731	24,691
Depreciation of tangible fixed assets held under finance leases	9,261	3,859
(Profit)/loss on disposal of tangible fixed assets	-	14,902
Amortisation of intangible assets	101,369	101,369
Audit fees payable	25,750	32,910
Operating lease charges	132,858	134,926

# Stage Electrics Group Limited

## Notes to the group financial statements (continued) For the year ended 31 July 2022

### 6 Employees

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

	<b>Group 2022 Number</b>	<b>2021 Number</b>	<b>Company 2022 Number</b>	<b>2021 Number</b>
Administrative staff	16	16	-	-
Sales and hire	73	85	-	-
<b>Total</b>	<b>89</b>	<b>101</b>	<b>-</b>	<b>-</b>

Their aggregate remuneration comprised:

	<b>Group 2022 £</b>	<b>2021 £</b>	<b>Company 2022 £</b>	<b>2021 £</b>
Wages and salaries	3,609,167	3,373,390	63,909	73,713
Social security costs	287,529	342,388	-	-
Pension costs	130,450	169,832	-	-
	<b>4,027,146</b>	<b>3,885,610</b>	<b>63,909</b>	<b>73,713</b>

### 7 Directors' remuneration

	<b>2022 £</b>	<b>2021 £</b>
Remuneration for qualifying services	201,202	290,906
Company pension contributions to defined contribution schemes	10,328	18,264
Compensation for loss of office	-	193,742
	<b>211,530</b>	<b>502,912</b>

**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

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**7 Directors' remuneration (continued)**

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	78,651	40,410
Company pension contributions to defined contribution schemes	5,468	13,190
Compensation for loss of office	-	193,742
	<u>          </u>	<u>          </u>

**8 Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	14,043	21,244
	<u>          </u>	<u>          </u>

**9 Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	117,074	11,143
Foreign current tax on profits for the current period	-	14,046
	<u>          </u>	<u>          </u>
<b>Total current tax</b>	<b>117,074</b>	<b>25,189</b>
	<u>          </u>	<u>          </u>

**Stage Electrics Group Limited****Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022****9 Taxation (continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Profit before taxation	785,338	372,981
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	149,214	70,866
Tax effect of expenses that are not deductible in determining taxable profit	33,612	6,787
Change in unrecognised deferred tax assets	(105,378)	123,813
Effect of change in corporation tax rate	25,291	(195,884)
Depreciation on assets not qualifying for tax allowances	14,335	19,607
Taxation charge	117,074	25,189

**10 Dividends**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Recognised as distributions to equity holders:		
Interim paid	1,412,000	-

**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

**11 Intangible fixed assets**

<b>Group</b>	<b>Goodwill</b>	<b>Trademarks</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 August 2021 and 31 July 2022	1,013,687	17,500	1,031,187
<b>Amortisation and impairment</b>			
At 1 August 2021	610,787	17,500	628,287
Amortisation charged for the year	101,369	-	101,369
At 31 July 2022	712,156	17,500	729,656
<b>Carrying amount</b>			
At 31 July 2022	301,531	-	301,531
At 31 July 2021	402,900	-	402,900

The company had no intangible fixed assets at 31 July 2022 or 31 July 2021.

**Goodwill**

Goodwill arose on the acquisition of the share capital of Performing Arts Technology Limited on 3 June 2014. It is being amortised over its estimated useful economic life of 10 years.



**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

**12 Tangible fixed assets**

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2021	103,062	412,634	80,499	35,387	631,582
Additions	-	76,786	9,600	-	86,386
At 31 July 2022	103,062	489,420	90,099	35,387	717,968
<b>Depreciation and impairment</b>					
At 1 August 2021	103,062	347,272	58,480	21,638	530,452
Depreciation charged in the year	-	35,328	3,539	4,125	42,992
At 31 July 2022	103,062	382,600	62,019	25,763	573,444
<b>Carrying amount</b>					
At 31 July 2022	-	106,820	28,080	9,624	144,524
At 31 July 2021	-	65,362	22,019	13,749	101,130

The company had no tangible fixed assets at 31 July 2022 or 31 July 2021.

**13 Fixed asset investments**

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	<b>14</b>	-	-	5,298,556	5,298,556

**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

**13 Fixed asset investments (continued)**

**Movements in fixed asset investments**  
**Company**

	<b>Shares in subsidiaries £</b>
<b>Cost or valuation</b>	
At 1 August 2021 and 31 July 2022	5,298,556
<b>Carrying amount</b>	
At 31 July 2022	5,298,556
At 31 July 2021	5,298,556

**14 Subsidiaries**

Details of the company's subsidiaries at 31 July 2022 are as follows:

<b>Name of undertaking</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Class of shares held</b>	<b>% Held</b>	
				<b>Direct</b>	<b>Indirect</b>
Northern Light Stage and Technical Services Limited	Scotland	Theatre and performance supplies	Ordinary £1 shares	-	100.00
Performing Arts Technology Limited	Scotland	Holding company	"A" Ordinary £1 shares	100.00	-
SE1 Events Limited	England and Wales	Dormant	Ordinary £1 shares	-	100.00
Stage Electrics Partnership Limited	England and Wales	Theatre and performance supplies	Ordinary £1 shares, "C" Preference £1 shares	100.00	-
Studio Electrics Limited	England and Wales	Dormant	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	-	100.00
Theatre Direct Limited	England and Wales	Dormant	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	-	100.00
Theatre Vision Limited	England and Wales	Dormant	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	-	100.00
Stage Electrics Limited	England and Wales	Dormant	Ordinary £1 shares	-	100.00

**Stage Electrics Group Limited****Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022****14 Subsidiaries (continued)**

All entities listed above which include an indirect holding are directly owned by subsidiary undertakings within the group.

The registered address of Northern Light Stage and Technical Services Limited and Performing Arts Technology Limited is 4th Floor 115 George Street, Edinburgh, EH2 4JN.

The registered address of all other subsidiaries is Encore House, Unit 3 Britannia Road, Patchway Trading Estate, Patchway, Bristol, BS34 5TA..

**15 Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Finished goods and goods for resale	1,693,746	1,423,915	-	-

**16 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	1,428,095	1,337,617	-	-
Gross amounts owed by contract customers	404,676	394,232	-	-
Other debtors	197,262	43,854	-	-
Prepayments and accrued income	156,296	173,856	-	-
	2,186,329	1,949,559	-	-

**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

**17 Creditors: amounts falling due within one year**

		<b>Group</b>		<b>Company</b>	
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	<b>19</b>	250,000	250,000	-	-
Obligations under finance leases	<b>20</b>	12,934	12,934	-	-
Trade creditors		1,986,303	1,786,477	-	-
Gross amounts owed to contract customers		345,733	565,340	-	-
Corporation tax payable		117,074	11,143	-	-
Other taxation and social security		369,219	221,496	-	-
Other creditors		146,860	72,865	940	940
Accruals and deferred income		732,859	376,310	-	-
		<u>3,960,982</u>	<u>3,296,565</u>	<u>940</u>	<u>940</u>

**18 Creditors: amounts falling due after more than one year**

		<b>Group</b>		<b>Company</b>	
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>19</b>	458,333	708,333	-	-
Obligations under finance leases	<b>20</b>	16,143	25,844	-	-
Amounts owed to group undertakings		-	-	4,792,415	4,718,369
		<u>474,476</u>	<u>734,177</u>	<u>4,792,415</u>	<u>4,718,369</u>

**19 Loans and overdrafts**

		<b>Group</b>		<b>Company</b>	
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans		<u>708,333</u>	<u>958,333</u>	<u>-</u>	<u>-</u>
Payable within one year		250,000	250,000	-	-
Payable after one year		<u>458,333</u>	<u>708,333</u>	<u>-</u>	<u>-</u>

## Stage Electrics Group Limited

### Notes to the group financial statements (continued) For the year ended 31 July 2022

#### 19 Loans and overdrafts (continued)

##### Group

The group has provided a cross company guarantee in respect of the bank overdraft by way of fixed and floating charge over the assets of the group.

The long term loan relates to an application made by the group under the Coronavirus Business Interruption Loan Scheme. As a result, under the terms of the scheme, the Secretary of State for Business, Energy and Industrial Strategy has provided a limited guarantee to Barclays Bank for 80% of the loan balance.

No repayments are required for the first 12 months. Following that, equal monthly instalments will be paid of £20,833 with the final repayment falling due on May 2025. Interest will be charged after the first 12 months at a floating rate of 2.65% + base rate.

##### Company

The company has guaranteed the bank overdraft facility of the group by way of cross company guarantee by fixed and floating charge over the assets of the group.

#### 20 Finance lease obligations

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	12,934	12,934	-	-
In two to five years	16,143	25,844	-	-
	<u>29,077</u>	<u>38,778</u>	<u>-</u>	<u>-</u>

#### 21 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>130,450</u>	<u>169,832</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

**Stage Electrics Group Limited****Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022****22 Share capital**

<b>Group and company</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Ordinary share capital</b>	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	750	750	750	750
"A" ordinary shares of £1 each	508,495	508,495	508,495	508,495
	<u>509,245</u>	<u>509,245</u>	<u>509,245</u>	<u>509,245</u>

Ordinary shares are entitled to one vote per share and to receive dividends equally out of the profits of the company. The "A" Ordinary shares are not entitled to vote or receive dividends out of the profits of the company. "A" Ordinary shares rank second in priority on a return of capital or capital reduction.

**23 Operating lease commitments****Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	196,896	278,336	-	-
Between two and five years	218,460	378,342	-	-
	<u>415,356</u>	<u>656,678</u>	<u>-</u>	<u>-</u>

**24 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>201,530</u>	<u>492,538</u>

## Stage Electrics Group Limited

### Notes to the group financial statements (continued) For the year ended 31 July 2022

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#### 25 Subsidiary guarantees

The financial statements for the following company was not audited at the year ended 31 July 2022:

Performing Arts Technology Limited - registration number SC336871, registered in Scotland.

Under section 479A of the Companies Act 2006, Stage Electrics Group Limited guarantees all outstanding liabilities to which this subsidiary is subject as at the end of the financial year ended 31 July 2022, until they are fully satisfied.

The guarantee is enforceable against Stage Electrics Group Limited by any person to whom this company is liable in respect of outstanding liabilities.

A statement was given under section 479A dated 25 April 2023 declaring that Stage Electrics Group Limited guarantees this company under this section.

#### 26 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	668,264	347,792
<b>Adjustments for:</b>		
Taxation charged	117,074	25,189
Finance costs	14,043	21,244
(Gain)/loss on disposal of tangible fixed assets	-	14,902
Amortisation and impairment of intangible assets	101,369	101,369
Depreciation and impairment of tangible fixed assets	42,992	28,550
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(269,831)	145,033
(Increase)/decrease in debtors	(236,770)	681,184
Increase/(decrease) in creditors	558,486	(523,262)
<b>Cash generated from operations</b>	<b>995,627</b>	<b>842,001</b>

**Stage Electrics Group Limited**

**Notes to the group financial statements (continued)**  
**For the year ended 31 July 2022**

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**27 Analysis of changes in net funds - group**

	<b>1 August 2021</b>	<b>Cash flows</b>	<b>31 July 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	3,292,771	(706,656)	2,586,115
Borrowings excluding overdrafts	(958,333)	250,000	(708,333)
Obligations under finance leases	(38,778)	9,701	(29,077)
	<u>2,295,660</u>	<u>(446,955)</u>	<u>1,848,705</u>