

Company Registration No. 08245994 (England and Wales)

Stage Electrics Group Limited

**Annual report and
group financial statements
for the year ended 31 July 2021**

Stage Electrics Group Limited

Company information

Directors	Trevor Smallwood John Laycock David Coull Andrew Preece William Rogers	 (Appointed 4 February 2021) (Appointed 4 February 2021) (Appointed 4 February 2021)
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Secretary	Quayseco Limited
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Company number	08245994
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Registered office	Encore House Unit 3 Britannia Road Patchway Bristol BS34 5TA
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Independent auditor	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ
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Bankers	Barclays Bank plc 86 Queens Road Clifton Bristol BS8 1RB
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Solicitors	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 2021

The directors present have pleasure in presenting the Strategic Report the Director's Report and the financial statements for the year ended 31 July 2021. The comparative period shown is for the year ended 31 July 2020.

Fair review of the business

The pandemic had a significant impact on the Company's revenue in the year ended 31 July 2021, total revenue from continuing operations being 28% lower than the previous year. Despite this, the Group remained profitable and reports a profit before tax for the period of £373k.

The Group continues to focus on customer service and delivering quality products and services. Supply chain issues have and continue to impact the Group's ability to deliver products, and, therefore, some services, as promptly as they were delivered pre-pandemic. Working closely with suppliers and customers, the Group continues to overcome these 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 are considered to relate to Covid-19, price inflation and supply chain issues.

These risks are mitigated and monitored through close cooperation with key suppliers, the continued identification and development of potential markets, regular review of the impact of Covid-19 and review of various trade bodies, Government assistance and art related financial assistance.

Development and performance

Trading after the year end has been broadly in line with expectations for Installation and Venue Services. The Product Sales part of the business, which was most adversely impacted by Covid-19, has recovered very strongly as Covid-19 restrictions have been lifted. To date, profitability and cash generation has exceeded expectations since the year end.

Key performance indicators

Gross margin for the year on continuing operations was 35% (2020 30%), with profit before tax being 2.6% this year against 7.0% in 2020. There is a continued focus on margin management but the sharp drop in revenues, as a result of the pandemic, was only partially mitigated by the use of Government support, mainly in the form of furlough grants, and cost control across the business.

Future outlook

As noted above, trading after the year end has exceeded expectations with demand recovering very strongly following the gradual lifting of Covid-19 related restrictions. Revenues and profitability are expected to continue to improve steadily.

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

On behalf of the board

Andrew Preece

Director

29 April 2022

Stage Electrics Group Limited

Directors' report

For the year ended 31 July 2021

The directors present their annual report and financial statements for the year ended 31 July 2021.

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 8.

No ordinary dividends were proposed for the year ended 31 July 2021.

The company has put in place a staff bonus scheme for the year to July 2022 under which all employees will share a proportion of any over-performance by the company, against its budgeted profit. After a strong start to the year, the group is comfortably ahead of budget at the date of this report.

Having only paid one dividend in the last 8 years, the company was pleased to be able to pay shareholders, who have fully supported the group during that period, a dividend totalling £1m in January 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

Maria Townsend

(Resigned 30 November 2020)

David Coull

(Appointed 4 February 2021)

Andrew Preece

(Appointed 4 February 2021)

William Rogers

(Appointed 4 February 2021)

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 2021

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 ;
- prepare the 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

29 April 2022

Stage Electrics Group Limited

Independent auditor's report

To the members of Stage Electrics Group Limited

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 2021 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 2021 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 the 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 or the 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

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 and 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 group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or 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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group and parent company 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

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

29 April 2022

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 2021

	Notes	Continuing operations	Discontinued operations	31 July 2021	Continuing operations	Discontinued operations	31 July 2020
		£	£	£	£	£	£
Turnover	3	14,241,527	-	14,241,527	19,790,029	1,082,182	20,872,211
Cost of sales		(9,252,377)	-	(9,252,377)	(13,831,406)	(469,376)	(14,300,782)
Gross profit		4,989,150	-	4,989,150	5,958,623	612,806	6,571,429
Administrative expenses		(4,790,403)	-	(4,790,403)	(4,931,727)	(823,312)	(5,755,039)
Other operating income		615,034	-	615,034	544,475	-	544,475
Exceptional items	4	(419,556)	-	(419,556)	(141,847)	-	(141,847)
Operating profit	5	394,225	-	394,225	1,429,524	(210,506)	1,219,018
Interest payable and similar expenses	9	(21,244)	-	(21,244)	(39,087)	(10,198)	(49,285)
Loss on disposal of discontinued operations		-	-	-	-	(2,111,311)	(2,111,311)
Profit/(loss) before taxation		372,981	-	372,981	1,390,437	(2,332,015)	(941,578)
Tax on profit/(loss)	10	(25,189)	-	(25,189)	5,418	-	5,418
Profit/(loss) for the financial year		347,792	-	347,792	1,395,855	(2,332,015)	(936,160)

Profit/(loss) 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 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Goodwill	12		402,900		504,269
Tangible assets	13		101,130		53,809
			<u>504,030</u>		<u>558,078</u>
Current assets					
Stocks	16	1,423,915		1,568,948	
Debtors	17	1,949,559		2,630,743	
Cash at bank and in hand		3,292,771		2,748,303	
			<u>6,666,245</u>	<u>6,947,994</u>	
Creditors: amounts falling due within one year	18	(3,296,565)		(3,755,997)	
			<u>3,369,680</u>		<u>3,191,997</u>
Net current assets					
			<u>3,873,710</u>		<u>3,750,075</u>
Total assets less current liabilities					
Creditors: amounts falling due after more than one year	19		(734,177)		(958,334)
			<u>3,139,533</u>		<u>2,791,741</u>
Net assets			<u><u>3,139,533</u></u>		<u><u>2,791,741</u></u>
Capital and reserves					
Called up share capital	23		509,245		509,245
Share premium account			99,950		99,950
Capital redemption reserve			98,012		98,012
Profit and loss reserves			2,432,326		2,084,534
			<u>3,139,533</u>		<u>2,791,741</u>
Total equity			<u><u>3,139,533</u></u>		<u><u>2,791,741</u></u>

The financial statements were approved by the board of directors and authorised for issue on 29 April 2022 and are signed on its behalf by:

Andrew Preece
Director

Stage Electrics Group Limited**Company statement of financial position****As at 31 July 2021**

		2021	2020
	Notes	£	£
Fixed assets			
Investments	14	5,298,556	5,298,556
Current assets			
Cash at bank and in hand		4,770	4,800
Creditors: amounts falling due within one year	18	(940)	(940)
Net current assets		3,830	3,860
Total assets less current liabilities		5,302,386	5,302,416
Creditors: amounts falling due after more than one year	19	(4,718,369)	(4,661,891)
Net assets		584,017	640,525
Capital and reserves			
Called up share capital	23	509,245	509,245
Share premium account		99,950	99,950
Capital redemption reserve		98,012	98,012
Profit and loss reserves		(123,190)	(66,682)
Total equity		584,017	640,525

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £56,508 (2020 - £136,585 loss).

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

The financial statements were approved by the board of directors and authorised for issue on 29 April 2022 and are signed on its behalf by:

29 April 2022
Andrew Preece
Director

Company Registration No. 08245994

Stage Electrics Group Limited

**Group statement of changes in equity
For the year ended 31 July 2021**

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 August 2019	509,245	99,950	98,012	3,020,694	3,727,901
Year ended 31 July 2020:					
Loss and total comprehensive income for the year	-	-	-	(936,160)	(936,160)
Balance at 31 July 2020	509,245	99,950	98,012	2,084,534	2,791,741
Year ended 31 July 2021:					
Profit and total comprehensive income for the year				347,792	347,792
Balance at 31 July 2021	509,245	99,950	98,012	2,432,326	3,139,533

Stage Electrics Group Limited

**Company statement of changes in equity
For the year ended 31 July 2021**

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 August 2019	509,245	99,950	98,012	69,903	777,110
Year ended 31 July 2020:					
Loss and total comprehensive income for the year	-	-	-	(136,585)	(136,585)
Balance at 31 July 2020	509,245	99,950	98,012	(66,682)	640,525
Year ended 31 July 2021:					
Loss and total comprehensive income for the year				(56,508)	(56,508)
Balance at 31 July 2021	509,245	99,950	98,012	(123,190)	584,017

Stage Electrics Group Limited

Group statement of cash flows
For the year ended 31 July 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	26	842,001	1,731,584
Interest paid		(21,244)	(49,285)
Income taxes paid		(182,627)	(104,847)
Net cash inflow from operating activities		<u>638,130</u>	<u>1,577,452</u>
Investing activities			
Proceeds of disposal of business		-	227,000
Purchase of tangible fixed assets		(91,440)	(22,461)
Proceeds on disposal of tangible fixed assets		667	13,940
Net cash (used in)/generated from investing activities		<u>(90,773)</u>	<u>218,479</u>
Financing activities			
Repayment of preference shares		-	(25,000)
Repayment of debentures		-	(111,150)
Proceeds of new bank loans		-	1,000,000
Repayment of bank loans		(41,667)	-
Payment of finance leases obligations		38,778	(122,568)
Dividends paid to equity shareholders		-	(150,000)
Net cash (used in)/generated from financing activities		<u>(2,889)</u>	<u>591,282</u>
Net increase in cash and cash equivalents		<u>544,468</u>	<u>2,387,213</u>
Cash and cash equivalents at beginning of year		<u>2,748,303</u>	<u>361,090</u>
Cash and cash equivalents at end of year		<u><u>3,292,771</u></u>	<u><u>2,748,303</u></u>

Stage Electrics Group Limited

Notes to the group financial statements

For the year ended 31 July 2021

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 15.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 2021

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 2021. 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 groups 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 Directors have considered the impact Covid-19 has had on the financial position of the Group. As a result of good cost control, and continued Government support (use of the Furlough and Coronavirus Business Interruption Loan schemes), the Group continued to trade profitably and ended the year with a very strong balance sheet position.

The Group was well paced to take advantage of opportunities as lockdown restrictions were lifted and the Directors have prepared prudent cash flows for the next 12 month 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 the financial statements.

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

1 Accounting policies (continued)

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

1.5 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

1 Accounting policies (continued)

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.

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.

1 Accounting policies (continued)

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.

1.10 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.

1 Accounting policies (continued)

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.

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.

1 Accounting policies (continued)

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.

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 Accounting policies (continued)

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.

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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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

	2021	2020
	£	£
Turnover analysed by class of business		
Sale of goods	12,676,959	18,193,963
Rendering of services	1,564,568	2,678,248
	<u>14,241,527</u>	<u>20,872,211</u>

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

3 Turnover and other revenue (continued)

	2021	2020
	£	£
Other significant revenue		
Grants received	615,035	544,100
	<u> </u>	<u> </u>

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

	2021	2020
	£	£
Expenditure		
Internal restructuring cost	419,556	141,847
	<u> </u>	<u> </u>

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

5 Operating profit

	2021	2020
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(832)	37,042
Government grants	(615,035)	(544,100)
Depreciation of owned tangible fixed assets	24,691	191,721
Depreciation of tangible fixed assets held under finance leases	3,859	44,243
Loss/(profit) on disposal of tangible fixed assets	14,902	(12,951)
Amortisation of intangible assets	101,369	101,369
Operating lease charges	134,926	182,898
	<u> </u>	<u> </u>

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

6 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	32,910	31,950
For other services		
Taxation compliance services	6,465	6,280

7 Employees

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

	Group		Company	
	2021	2020	2021	2020
	Number	Number	Number	Number
Administrative staff	16	19	-	-
Sales and hire	85	109	-	-
Total	101	128	-	-

Their aggregate remuneration comprised:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	3,373,390	4,390,044	73,713	103,660
Social security costs	342,388	399,605	-	-
Pension costs	169,832	202,198	-	-
	3,885,610	4,991,847	73,713	103,660

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

8 Directors' remuneration

	2021	2020
	£	£
Remuneration for qualifying services	290,906	196,812
Company pension contributions to defined contribution schemes	18,264	11,011
Compensation for loss of office	193,742	-
	<u>502,912</u>	<u>207,823</u>

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

	2021	2020
	£	£
Remuneration for qualifying services	40,410	137,793
Company pension contributions to defined contribution schemes	13,190	11,011
Compensation for loss of office	193,742	-
	<u>247,342</u>	<u>158,814</u>

9 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	21,244	23,862
Other interest on financial liabilities	-	15,711
Interest on finance leases and hire purchase contracts	-	9,712
	<u>21,244</u>	<u>49,285</u>

10 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	11,143	102,880
Foreign current tax on profits for the current period	14,046	65,701
	<u>25,189</u>	<u>168,581</u>

Stage Electrics Group Limited

Notes to the group financial statements (continued)
For the year ended 31 July 2021

10 Taxation

	2021	2020
	£	£ (continued)
Deferred tax		
Origination and reversal of timing differences	-	(194,469)
Changes in tax rates	-	20,470
	<u> </u>	<u> </u>
Total deferred tax	-	(173,999)
	<u> </u>	<u> </u>
 Total tax charge/(credit)	 25,189	 (5,418)
	<u> </u>	<u> </u>

Of the charge to current tax in relation to discontinued operations, £0 relates to tax on profits and £0 arose on disposal.

The actual charge/(credit) 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:

	2021	2020
	£	£
Profit/(loss) before taxation	372,981	(941,578)
	<u> </u>	<u> </u>
 Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	 70,866	 (178,900)
Tax effect of expenses that are not deductible in determining taxable profit	6,787	12,210
Unutilised tax losses carried forward	-	157,599
Change in unrecognised deferred tax assets	123,813	(38,917)
Effect of change in corporation tax rate	(195,884)	20,470
Depreciation on assets not qualifying for tax allowances	19,607	22,120
	<u> </u>	<u> </u>
Taxation charge/(credit)	25,189	(5,418)
	<u> </u>	<u> </u>

11 Discontinued operations

Loss on disposal of discontinued operations

On 11 October 2019, the group disposed of the trade and assets of its Hire and Events division, SLX. The corresponding amounts have been classified and restated in the statement of comprehensive income as discontinued operations as they represented a separate major line of business.

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

12 Intangible fixed assets

Group	Goodwill	Trademarks	Total
	£	£	£
Cost			
At 1 August 2020 and 31 July 2021	1,013,687	17,500	1,031,187
Amortisation and impairment			
At 1 August 2020	509,418	17,500	526,918
Amortisation charged for the year	101,369	-	101,369
At 31 July 2021	610,787	17,500	628,287
Carrying amount			
At 31 July 2021	402,900	-	402,900
At 31 July 2020	504,269	-	504,269

The company had no intangible fixed assets at 31 July 2021 or 31 July 2020.

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 2021

13 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2020	104,072	363,848	57,711	58,218	583,849
Additions	-	52,152	22,788	16,500	91,440
Disposals	(1,010)	(3,366)	-	(39,331)	(43,707)
At 31 July 2021	103,062	412,634	80,499	35,387	631,582
Depreciation and impairment					
At 1 August 2020	104,072	330,082	56,514	39,372	530,040
Depreciation charged in the year	-	20,556	1,966	6,028	28,550
Eliminated in respect of disposals	(1,010)	(3,366)	-	(23,762)	(28,138)
At 31 July 2021	103,062	347,272	58,480	21,638	530,452
Carrying amount					
At 31 July 2021	-	65,362	22,019	13,749	101,130
At 31 July 2020	-	33,766	1,197	18,846	53,809

The company had no tangible fixed assets at 31 July 2021 or 31 July 2020.

14 Fixed asset investments

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Investments in subsidiaries	15	-	-	5,298,556	5,298,556

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

14 Fixed asset investments (continued)

Movements in fixed asset investments
Company

	Shares in subsidiaries £
Cost or valuation	
At 1 August 2020 and 31 July 2021	5,298,556
Carrying amount	
At 31 July 2021	5,298,556
At 31 July 2020	5,298,556

15 Subsidiaries

Details of the company's subsidiaries at 31 July 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Northern Light Stage and Technical Services Limited	England and Wales	Theatre and performance supplies	Ordinary £1 shares	0	-
Performing Arts Technology Limited	England and Wales	Holding company	"A" Ordinary £1 shares	100.00	-
SE1 Events Limited	England and Wales	Dormant	Ordinary £1 shares	0	100.00
Stage Electrics Partnership Limited	England and Wales	Theatre and performance supplies	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	100.00	-
Studio Electrics Limited	England and Wales	Dormant	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	0	100.00
Theatre Direct Limited	England and Wales	Dormant	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	0	100.00
Theatre Vision Limited	England and Wales	Dormant	Ordinary £1 shares, "C" Ordinary £1 shares, Preference £1 shares	0	100.00
Stage Electrics Limited	England and Wales	Dormant	Ordinary £1 shares	0	100.00

Stage Electrics Group Limited**Notes to the group financial statements (continued)****For the year ended 31 July 2021****15 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..

16 Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Finished goods and goods for resale	1,423,915	1,568,948	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17 Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,337,617	1,141,826	-	-
Gross amounts owed by contract customers	394,232	935,280	-	-
Other debtors	43,854	356,568	-	-
Prepayments and accrued income	173,856	197,069	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,949,559	2,630,743	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Stage Electrics Group Limited

Notes to the group financial statements (continued)
For the year ended 31 July 2021

18 Creditors: amounts falling due within one year

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Bank loans	20	250,000	41,666	-	-
Obligations under finance leases	21	12,934	-	-	-
Trade creditors		1,786,477	1,855,880	-	-
Gross amounts owed to contract customers		565,340	697,547	-	-
Corporation tax payable		11,143	168,581	-	-
Other taxation and social security		221,496	591,674	-	-
Other creditors		72,865	29,168	940	940
Accruals and deferred income		376,310	371,481	-	-
		<u>3,296,565</u>	<u>3,755,997</u>	<u>940</u>	<u>940</u>

19 Creditors: amounts falling due after more than one year

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Bank loans and overdrafts	20	708,333	958,334	-	-
Obligations under finance leases	21	25,844	-	-	-
Amounts owed to group undertakings		-	-	4,718,369	4,661,891
		<u>734,177</u>	<u>958,334</u>	<u>4,718,369</u>	<u>4,661,891</u>

20 Loans and overdrafts

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	<u>958,333</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>
Payable within one year	250,000	41,666	-	-
Payable after one year	<u>708,333</u>	<u>958,334</u>	<u>-</u>	<u>-</u>

Stage Electrics Group Limited**Notes to the group financial statements (continued)****For the year ended 31 July 2021****20 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.

21 Finance lease obligations

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	12,934	-	-	-
In two to five years	25,844	-	-	-
	<u>38,778</u>	<u>-</u>	<u>-</u>	<u>-</u>

22 Retirement benefit schemes

	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	169,832	202,198

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 2021

23 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
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.

24 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:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	278,336	296,409	-	-
Between two and five years	378,342	677,501	-	-
	<u>656,678</u>	<u>973,910</u>	<u>-</u>	<u>-</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	<u>492,538</u>	<u>231,362</u>

Other information

Stage Electrics Group Limited

Notes to the group financial statements (continued)

For the year ended 31 July 2021

25 Related party transactions (continued)

Group

During the period, the company made sales of £nil (2020: £3,945) to and purchases of £nil (2020: £8,506) from Clifton Marquee Company Limited, a company related by virtue of a common director.

26 Cash generated from group operations

	2021	2020
	£	£
Profit/(loss) for the year after tax	347,792	(936,160)
Adjustments for:		
Taxation charged/(credited)	25,189	(5,418)
Finance costs	21,244	49,285
Loss/(gain) on disposal of tangible fixed assets	14,902	(12,951)
(Gain)/loss on disposal of business	-	2,111,311
Amortisation and impairment of intangible assets	101,369	101,369
Depreciation and impairment of tangible fixed assets	28,550	235,964
Movements in working capital:		
Decrease in stocks	145,033	68,096
Decrease in debtors	681,184	1,493,530
Decrease in creditors	(523,262)	(1,373,442)
Cash generated from operations	842,001	1,731,584

27 Analysis of changes in net funds - group

	1 August 2020	Cash flows	31 July 2021
	£	£	£
Cash at bank and in hand	2,748,303	544,468	3,292,771
Borrowings excluding overdrafts	(1,000,000)	41,667	(958,333)
Obligations under finance leases	-	(38,778)	(38,778)
	1,748,303	547,357	2,295,660

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.