GP Meridian Events Limited

Directors' report and financial statements

Registered number 10010744

31 March 2018

Directors' report and financial statements

Contents

Directors' report

The directors present the directors' report and financial statements for the year ended 31 March 2018.

Principal activities

GP Meridian Events Limited (the "Company") is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is Level 9, 6 Mitre Passage, Greenwich Peninsula, London, SE10 0ER.

The principal activity of the company continues to be that of events management.

Basis of preparation

The directors believe that it remains appropriate to prepare the financial statements on a going concern basis for the reasons set out in note 1 in the accounting policies.

Directors and directors' interests

The directors who held office during the period were as follows:

J Rann
R Margree

Neither of the directors who held office at the end of the financial period had any disclosable interest in group undertakings as recorded in the register of directors' interests. No other directors served during the period.

Employees

The Company did not employ any staff including directors in the year (2017: nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG LLP has been appointed as the auditor and will be deemed to be reappointed as auditor under Section 485 of the Companies Act 2006.

Small Company Provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Directors' report *(continued)*

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;

• make judgements and estimates that are reasonable, relevant and reliable;

• state whether they have been prepared in accordance with IFRSs as adopted by the EU;

• assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

• use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board

J Rann
Director

Level 9, 6 Mitre Passage
Greenwich Peninsula
London
SE10 0ER

19 December 2018

Independent auditor's report to the members of GP Meridian Events Limited

Opinion

We have audited the financial statements of GP Meridian Events Limited ("the company") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Independent auditor's report to the members of GP Meridian Events Limited *(continued)*

Other matter -Prior period financial statements

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Henry Todd (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London, E14 5GL
20 December 2018

Statement of Comprehensive Income

For the year ended 31 March 2018

	Notes	Year ended 31 March 2018	Unaudited Period 17 February 2016 to 31 March 2017
		£	£
Revenue		**117,750**	20,000
Administrative expenses		**(1,540)**	-
Finance income / (expense)		**373**	(73)
Profit before tax		**116,583**	19,927
Taxation	5	-	-
Total comprehensive profit for the year/period		**116,583**	19,927

The amounts reported in the Statement of Comprehensive Income relate to continuing operations.

Notes on pages 9-13 form part of the financial statements.

Statement of Financial Position

at 31 March 2018

	Notes	2018	Unaudited 2017
		£	£
Current assets			
Trade and other receivables	6	**16,300**	24,001
Cash		**151,251**	-
Total current assets		**167,551**	24,001
Total assets		**167,551**	24,001
Current liabilities			
Trade and other payables	7	**(31,040)**	-
Total current liabilities		**(31,040)**	-
Non-current liabilities			
Other interest-bearing loans and borrowings	7	-	(4,073)
Total non-current liabilities		-	(4,073)
Total liabilities		**(31,040)**	(4,073)
Net assets		**136,511**	19,928
Equity			
Ordinary shares	8	**1**	1
Retained earnings		**136,510**	19,927
Total equity		**136,511**	19,928

These financial statements were approved by the board of directors on 19 December 2018 and were signed on its behalf by:

J Rann
Director
Registered number 10010744

Notes on pages 9-13 form part of the financial statements.

Statement of Changes in Equity

for the year ended 31 March 2018

	Share capital	Retained earnings	Total equity
	£	£	£
Balance at 1 April 2017	1	19,927	19,928
Profit for the year	-	116,583	116,583
Balance at 31 March 2018	**1**	**136,510**	**136,511**

for the year ended 31 March 2017 *(unaudited)*

	Share capital	Retained earnings	Total equity
	£	£	£
Balance at 17 February 2016	-	-	-
Share capital issued	1	-	1
Profit for the period	-	19,927	19,927
Balance at 31 March 2017	**1**	**19,927**	**19,928**

Notes on pages 9-13 form part of the financial statements.

Statement of Cash Flows

for the period ended 31 March 2018

	Year ended 31 March 2018 £	Unaudited Period 17 February 2016 to 31 March 2017 £
Cash flows from operating activities		
Profit before tax	**116,583**	19,927
Adjustments for:		
Decrease / (increase) in trade and other receivables	**7,701**	(24,001)
Increase in trade and other payables	**26,967**	4,073
Net cash generated from / (used by) operating activities	**151,251**	(1)
Cash flows from financing activities		
Proceeds from share issue	-	1
Net cash from financing activities	-	1
Net increase in cash and cash equivalents	**151,251**	-
Cash and cash equivalents at 1 April	-	-
Cash and cash equivalents at 31 March 2018	**151,251**	-

Notes on pages 9-13 form part of the financial statements.

Notes to the financial statements

1. Accounting policies

GP Meridian Events Limited is a company incorporated and domiciled in the United Kingdom.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

The comparative period is 17 February 2016 to 31 March 2017.

Basis of preparation

The Company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and are prepared on the historical cost basis.

Measurement convention

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided by its parent company Knight Dragon Limited. Knight Dragon Limited is obliged to provide necessary funding for the continuing operations of the Company. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities when they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result in the basis of preparation being inappropriate

Significant judgements, estimates and assumptions

The preparation of financial statements under IFRSs requires the Board to make judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities as at the date of the financial statements and the reported amount of revenue and expense during the reporting year. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements that are not readily apparent from other sources. However, the actual results may differ from these estimates.

The valuation of inventory constitutes the main area of judgement exercised by the Board in respect of the results. Inventory is stated at the lower of cost and net realisable value. In relation to the net realisable value, the Board has relied upon a financial model to appraise the project. The key assumptions relate to the timing of future income streams, anticipated development costs, residential values, price and cost inflation, the market absorption rate and the discount rate. The financial statements are prepared on the historical cost basis.

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

Revenue and profit are recognised as and when services and obligations are fulfilled, when it is probable that the future economic benefits will flow to the entity and these benefits can be measured reliably.

Notes to the financial statements *(continued)*

1. **Accounting policies** *(continued)*

Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Appropriate estimates for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Taxation

Tax on the loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs are capitalised into inventories, inventories being a qualifying asset as there is a long period before the asset is available for sale.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the enterprise that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

Notes to the financial statements *(continued)*

Adopted IFRSs not yet applied

The following Adopted IFRSs have been issued but have not been applied by the Group in these financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- IFRS 9 Financial Instruments (effective date 1 January 2018).
- IFRS 15 Revenue from Contract with Customers (effective date 1 January 2018).
- IFRS 16 Leases (effective date 1 January 2019).
- IFRIC 23 Uncertainty over Income Tax Treatments (effective date to be confirmed).
- Annual Improvements to IFRS Standards 2014-2016 Cycle (effective date to be confirmed).

2. Remuneration of directors

The directors did not receive any remuneration from the Company for their services during the period (2017: £nil).

3. Staff numbers and costs

The Company did not directly employ any staff including directors during the period (2017: nil).

4. Expenses and auditor's remuneration

	2018	2017
	£	£
Fee payable to Company auditor for the audit of the financial statements	**1,590**	-

There were no non-audit services from the auditor.

5. Taxation

	2018	2017
	£	£
Recognised in the Statement of Comprehensive Income:		
Total tax recognised in the Statement of Comprehensive Income	-	-
Reconciliation of effective tax rate:		
Profit before tax	**116,583**	19,927
Tax using the UK corporation tax rate of 19% (2017: 20%)	**(22,151)**	(3,985)
Tax losses utilised – group relief	**22,151**	3,985
Total tax recognised in the Statement of Comprehensive Income	-	-

Notes to the financial statements *(continued)*

5. Taxation (continued)

Reductions in the UK Corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was announced in the budget on 16 March 2016.

6. Trade and other receivables

	2018	2017
	£	£
Other debtors	-	1
Intercompany receivables	16,300	24,000
	16,300	24,001

The fair value of trade and other receivables approximates to book value.

7. Trade and other payables

	2018	2017
	£	£
Other creditors	10,000	-
Accruals	1,540	-
Loan from shareholder	-	4,073
VAT payables	19,500	-
	31,040	4,073

8. Share capital

	2018	2017
	£	£
Allotted and called up		
1 Ordinary Share of £1 – Knight Dragon Investments Limited	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. There are no associated rights or preferences relating to the shares.

9. Financing Arrangements and Financial Instruments

Exposure to credit and interest rate risks arises in the normal course of the Company's business.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company.

Credit risk

Credit risk represents the risk that counterparty will not complete its obligations under a financial instrument resulting in a financial loss to the Company. The Company has exposure to credit risk from all recognised financial assets.

Notes to the financial statements *(continued)*

9. Financing Arrangements and Financial Instruments (continued)

The maximum exposure to credit risk at the balance sheet date on financial assets recognised in the Statement of Financial Position equals the carrying amount, net of any impairment. At the year end there were no trade receivables past their due date.

Fair values

There is no significant difference between the carrying value and the fair value of the financial instruments.

Capital risk management

The Group's overall capital risk management strategy is to maintain a strong capital base so as to sustain investor, creditor and market confidence and for the future development of the business.

For the Group's purposes, capital consists of issued share capital, share premium (where appropriate), retained earnings, reserves (where appropriate) and also long term shareholder loans.

There were no changes in the Group's approach to capital management during the year.

Liquidity risk

Liquidity risk is the risk of having insufficient funds to settle financial liabilities as and when they fall due. This includes having insufficient levels of committed credit facilities.

The Company's objective is to maintain the efficient use of cash and debt facilities in order to minimise the cost of borrowing to the Company and ensure sufficient availability of credit facilities.

Liquidity risk is reduced through prudent cash management which ensures sufficient levels of cash are maintained to meet working capital requirements. It also allows flexibility of liquidity by matching maturity profiles of short term investments with cash flow requirements, and timely review and renewal of credit facilities.

All financial liabilities at 31 March 2018 were due for payment within 12 months.

10. Related party transactions and balances

At 31 March 2018, the Company had an amount of £16,300 due from (2017: £4,073 due to) its parent company Knight Dragon Investments Limited.

At 31 March 2018, the Company was owed £nil (2017: £24,000) by Knight Dragon Developments Limited, a fellow subsidiary of Knight Dragon Investments Limited.

11. Ultimate parent undertaking and parent undertaking of larger group of which the Company is a member

The results of the Company are consolidated in the group headed by Knight Dragon Investments Limited. The consolidated financial statements of this group may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff. The ultimate parent undertakings and controlling parties are Cheng Yu Tung Family (Holdings) Limited (incorporated and registered in the British Virgin Islands under company number 595431) and Cheng Yu Tung Family (Holdings II) Limited (incorporated and registered in the British Virgin Islands under company number 1681935).