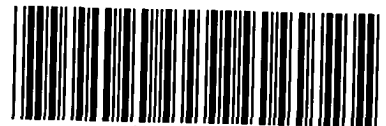


**Company Registration No. 03209293 (England and Wales)**

**Stage Electrics Partnership Limited**

**Annual report and financial statements  
for the period ended 31 July 2016**

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## **Stage Electrics Partnership Limited**

### **Company information**

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<b>Directors</b>	Trevor Smallwood John Laycock Maria Townsend	(Appointed 30 June 2016)
<b>Secretary</b>	Quayseco Limited	
<b>Company number</b>	03209293	
<b>Registered office</b>	Encore House Unit 3 Britannia Road Patchway Bristol BS34 5TA	
<b>Independent auditors</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 Partnership Limited**

### **Contents**

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	<b>Page</b>
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditors' report	5 - 6
Statement of comprehensive income	7
Statement of financial position	8 - 9
Statement of changes in equity	10
Notes to the financial statements	11 - 32

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## **Stage Electrics Partnership Limited**

### **Strategic report**

**For the period ended 31 July 2016**

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The directors have pleasure in presenting the Strategic Report, the Directors' Report and the financial statements for the 18-month period ended 31 July 2016, this is an extended 18-month period. The comparative period shown is for the 12-month period ended 31 January 2015.

#### **Fair review of the business**

2016 was a difficult trading year for us, your support and patience during this time was very much appreciated.

During this period we took the major step of re-organising & re-shaping the business and splitting into two operating divisions:

- Stage Electrics (including Northern Light) for Installation, Sales and Venue Services
- SLX for Hire and Live Events

This has given us much greater clarity in decision making and allowed us to focus on the separate requirements of our many customers.

The attached accounts reflect the challenges we faced during that time. A significant loss is shown as a result of exceptional costs incurred during the trading period, such as:

- Exit costs from our old premises
- Relocation of both divisions to two, new dedicated premises
- Reorganisation and restructuring costs during the period
- Legal & Professional fees

The positive news is that the re-organisation and the changes we made have enabled us to make a strong start in 2017.

John Laycock, Non-Executive Director and Chairman of The Stage Electrics Division has invested personally in the business.

#### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties are considered to relate to increasing competition from UK and overseas competitors, Brexit and the effect of changes in government policy on the funding of arts and educational facilities.

These risks will be mitigated by regular review of various trade bodies and arts related funding.

#### **Development and performance**

The gross margin for the period was 37.6% (2015 41.4%). The fall in gross margin percentage was due to competitive pricing pressure and a change in the mix of sales. This decline will be reversed once inherited contracts are worked through, where possible contracts have been renegotiated but this has not been possible in all cases. Going forward the board has driven focus on better margin management in respect of all future operations in the business.

**Stage Electrics Partnership Limited**

**Strategic report (continued)**

**For the period ended 31 July 2016**

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**Future outlook**

Trading following period end has been above expectations, prudently we would expect this trend to smooth out to be in line with budget. Order books are increased on last year with higher levels of activity hoped for in the future. Following the changes to the business we are looking to stabilise in 2017 and inject growth in new products and markets going into 2018, a lot has been invested to make this happen and we have the support of our lending partners to push change and growth forward.

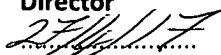
The commercial environment in the company's marketplace is expected to remain very competitive. However, with historic strong levels of investment in hire inventory and by continuing to obtain further operating efficiencies the company is hopeful of maintaining market share and improving current levels of performance.

On behalf of the board



Maria Townsend

Director



## **Stage Electrics Partnership Limited**

### **Directors' report**

**For the period ended 31 July 2016**

---

#### **Principal activities**

The principal activity of the company continued to be that of the sale, hire and installation of stage, lighting and sound equipment for the entertainment, construction and leisure industries.

#### **Directors**

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

Daniel Aldridge	(Resigned 30 June 2016)
Trevor Smallwood	
Anna Western	(Resigned 30 June 2016)
Gerard Irvine	(Resigned 30 June 2016)
John Laycock	
Gregory Wood	(Resigned 31 July 2016)
Maria Townsend	(Appointed 30 June 2016)
Robert Smith	(Resigned 27 August 2015)

#### **Results and dividends**

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

No preference dividends were paid.

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

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

#### **Auditors**

Saffery Champness LLP were appointed as auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditors**

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 company's auditors are 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 company's auditors are aware of that information.

On behalf of the board



Maria Townsend

Director



## **Stage Electrics Partnership Limited**

### **Independent auditors' report**

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

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We have audited the financial statements of Stage Electrics Partnership Limited for the period ended 31 July 2016 set out on pages 7 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2016 and of its loss for the period 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.



**Stage Electrics Partnership Limited**

**Independent auditors' report (continued)**

**To the members of Stage Electrics Partnership Limited**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.

*Saffery Champness LLP*

**David Lemon (Senior Statutory Auditor)**  
**for and on behalf of Saffery Champness LLP**

*28/4/17*

**Chartered Accountants**  
**Statutory Auditors**

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

Stage Electrics Partnership Limited

Statement of comprehensive income  
For the period ended 31 July 2016

		Period ended 31 July 2016	2015 Continuing operations	2015 Discontinued operations	Period ended 31 January 2015 as restated
	Notes	£	£	£	£
Turnover	3	37,955,363	27,972,784	(10,432)	27,962,352
Cost of sales		(23,683,546)	(16,352,876)	(33,703)	(16,386,579)
<b>Gross profit</b>		<b>14,271,817</b>	<b>11,619,908</b>	<b>(44,135)</b>	<b>11,575,773</b>
Administrative expenses		(15,903,933)	(11,071,748)	(149,751)	(11,221,499)
Other operating income		799,142	143,996	-	143,996
Exceptional item	4	(1,326,300)	-	-	-
<b>Operating (loss)/profit</b>	<b>5</b>	<b>(2,159,274)</b>	<b>692,156</b>	<b>(193,886)</b>	<b>498,270</b>
Interest payable and similar charges	8	(357,547)	(266,123)	-	(266,123)
Other gains and losses	9	319,826	(49,600)	-	(49,600)
Profit/(loss) on disposal of operations		-	-	129,974	129,974
<b>Loss before taxation</b>		<b>(2,196,995)</b>	<b>376,433</b>	<b>(63,912)</b>	<b>312,521</b>
Taxation	11	445,617	(15,818)	-	(15,818)
<b>(Loss)/profit for the financial period</b>	<b>28</b>	<b>(1,751,378)</b>	<b>360,615</b>	<b>(63,912)</b>	<b>296,703</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(1,751,378)</b>	<b>360,615</b>	<b>(63,912)</b>	<b>296,703</b>

**Stage Electrics Partnership Limited**

**Statement of financial position**

**As at 31 July 2016**

		<b>2016</b>		<b>2015</b>	
				<b>as restated</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>14</b>	4,720,151		8,858,882	
Investments	<b>13</b>	53,100		103,100	
		<u>4,773,251</u>		<u>8,961,982</u>	
<b>Current assets</b>					
Stocks	<b>16</b>	1,307,323	1,129,349		
Debtors	<b>17</b>	8,175,850	8,955,155		
Cash at bank and in hand		1,185,516	-		
		<u>10,668,689</u>	<u>10,084,504</u>		
<b>Creditors: amounts falling due within one year</b>	<b>18</b>	<u>(8,184,478)</u>	<u>(7,396,982)</u>		
<b>Net current assets</b>		<u>2,484,211</u>		<u>2,687,522</u>	
<b>Total assets less current liabilities</b>		<u>7,257,462</u>		<u>11,649,504</u>	
<b>Creditors: amounts falling due after more than one year</b>	<b>19</b>	(871,479)	(3,466,528)		
<b>Provisions for liabilities</b>	<b>22</b>	(283,160)	(328,775)		
<b>Net assets</b>		<u>6,102,823</u>		<u>7,854,201</u>	
<b>Capital and reserves</b>					
Called up share capital	<b>25</b>	295,756	295,756		
Share premium account	<b>26</b>	101,066	101,066		
Capital redemption reserve	<b>27</b>	3,688,249	3,688,249		
Profit and loss reserves	<b>28</b>	2,017,752	3,769,130		
<b>Total equity</b>		<u>6,102,823</u>	<u>7,854,201</u>		

**Stage Electrics Partnership Limited**

**Statement of financial position (continued)**

**As at 31 July 2016**

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The financial statements were approved by the board of directors and authorised for issue on 27/8/17 and are signed on its behalf by:



Maria Townsend  
Director

**Company Registration No. 03209293**

**Stage Electrics Partnership Limited**

**Statement of changes in equity  
For the period ended 31 July 2016**

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>As restated for the period ended 31 January 2015:</b>						
<b>Balance at 1 February 2014</b>		295,756	101,066	3,688,249	3,742,653	7,827,724
<b>Effect of transition to FRS 102</b>		-	-	-	(270,226)	(270,226)
<b>As restated</b>		295,756	101,066	3,688,249	3,472,427	7,557,498
<b>Period ended 31 January 2015:</b>						
<b>Profit and total comprehensive income for the period</b>		-	-	-	296,703	296,703
<b>Balance at 31 January 2015</b>		295,756	101,066	3,688,249	3,769,130	7,854,201
<b>Period ended 31 July 2016:</b>						
<b>Loss and total comprehensive income for the period</b>		-	-	-	(1,751,378)	(1,751,378)
<b>Balance at 31 July 2016</b>		295,756	101,066	3,688,249	2,017,752	6,102,823

## **1 Accounting policies**

### **Company information**

Stage Electrics Partnership Limited is a private company limited by shares incorporated in England and Wales. The registered office is Encore House, Unit 3 Britannia Road, Patchway, Bristol, BS34 5TA.

### **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 £.

The financial statements cover a long period of account from 1 February 2015 to 31 July 2016. As a result, the comparative period information is not comparable on an exact basis. The change in accounting period has been made at the discretion of the Directors.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the period ended 31 July 2016 are the first financial statements of Stage Electrics Partnership Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 February 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 32.

This 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:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- 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' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; 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.

**1 Accounting policies (continued)**

**1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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 and turnover on hire of equipment is recognised on a straight line basis from the hire date.

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.

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

**1.4 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**1.5 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

**Notes to the financial statements (continued)**  
**For the period ended 31 July 2016**

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**1 Accounting policies (continued)**

Amortisation 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:

Trademark	20 - 33.33% straight line
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**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.

Interest incurred on financing assets under the course of construction is capitalised in accordance with Section 25 "Borrowing Costs", until such time as the asset is brought into use.

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 property	Straight line over unexpired lease term - maximum 50 years
Plant, equipment and machinery	25% straight line basis
Fixtures and fittings	10% straight line basis
Hire equipment	10% and 20% straight line basis
Motor vehicles	25% reducing balance 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 credited or charged to profit or loss.

**1.7 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.8 Impairment of fixed assets**

At each reporting period end date, the company 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.



**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.

**1.9 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.

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.

**1.10 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

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

Financial assets and liabilities are offset, with 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.

Notes to the financial statements (continued)  
For the period ended 31 July 2016

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**1 Accounting policies (continued)**

***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.

***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

***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 company 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 company after deducting all of its liabilities.

**1 Accounting policies (continued)**

***Basic financial liabilities***

Basic financial liabilities, including trade and other 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 receipts 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. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Other financial liabilities***

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

***Derecognition of financial liabilities***

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

**1.12 Equity instruments**

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

**1.13 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 company'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.

**1.14 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.

**1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.16 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 the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## 1 Accounting policies (continued)

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.

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

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

In the application of the company'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. Key areas of judgment include the estimation of provision against stock and percentage completion of long term contracts inclusive of the estimation of total costs to complete. 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.

## 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016	2015
	£	£
<b>Turnover</b>		
Product sales	13,990,127	8,972,188
Intallations	12,120,377	8,118,574
Venue services	1,448,791	1,093,039
Hire	6,389,456	4,399,923
Events	4,006,612	5,378,628
	<u>37,955,363</u>	<u>27,962,352</u>

**Stage Electrics Partnership Limited****Notes to the financial statements (continued)**  
**For the period ended 31 July 2016****3 Turnover and other revenue (continued)****Turnover analysed by geographical market**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
United Kingdom	35,174,550	26,461,064
Europe	1,163,673	498,997
Americas	9,371	14,962
The Channel Isles	34,315	8,971
Middle East	1,188,521	926,669
Other	384,933	51,689
	<u>37,955,363</u>	<u>27,962,352</u>

**4 Exceptional costs**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Restructuring costs	<u>1,326,300</u>	<u>-</u>

During the period, the company restructured its operations to split the company's revenue streams into two divisions. The above exceptional items of £1,326,300 relate to the one-off costs associated with this restructure.

**5 Operating (loss)/profit**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Operating (loss)/profit for the period is stated after charging/(crediting):		
Exchange gains	(5,957)	(4,274)
Research and development costs	-	42,460
Fees payable to the company's auditors for the audit of the company's financial statements	20,800	30,750
Depreciation of owned tangible fixed assets	1,776,815	1,264,257
Profit on disposal of tangible fixed assets	(712,619)	(212,363)
Amortisation of intangible assets	-	4,340
Cost of stocks recognised as an expense	23,683,546	16,386,579
Operating lease charges	<u>484,744</u>	<u>648,295</u>

**Stage Electrics Partnership Limited****Notes to the financial statements (continued)****For the period ended 31 July 2016****6 Employees**

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

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
Administrative staff	42	37
Sales and Hire	147	162
	<u>189</u>	<u>199</u>

Their aggregate remuneration comprised:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Wages and salaries	9,057,294	6,840,198
Social security costs	842,755	593,005
Pension costs	329,573	249,477
	<u>10,229,622</u>	<u>7,682,680</u>

**7 Directors' remuneration**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	674,574	381,814
Company pension contributions to defined contribution schemes	54,003	22,181
	<u>728,577</u>	<u>403,995</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2015: 5).

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

Remuneration for qualifying services	263,000	103,400
Company pension contributions to defined contribution schemes	5,400	6,666
	<u>268,400</u>	<u>110,066</u>

**Stage Electrics Partnership Limited****Notes to the financial statements (continued)****For the period ended 31 July 2016****8 Interest payable and similar charges**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	148,282	186,588
Interest on finance leases and hire purchase contracts	209,265	79,535
	<u>          </u>	<u>          </u>

**9 Other gains and losses**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Fair value gains/(losses) on financial instruments</b>		
Change in value of financial assets held at fair value through profit or loss	319,826	(49,600)
	<u>          </u>	<u>          </u>

**10 Discontinued operations**

On 31 July 2014, the company sold the trade and assets of the ICE Rink business, generating a profit on disposal of £129,974. The corresponding amounts have been classified and restated in the statement of comprehensive income as discontinued operations for the year ended 31 January 2015. There were no further disposals during the current period.

**11 Taxation**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	45,833
Adjustments in respect of prior periods	-	(91,101)
	<u>          </u>	<u>          </u>
Total current tax	-	(45,268)
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(45,617)	61,086
Previously unrecognised tax loss, tax credit or timing difference	(400,000)	-
	<u>          </u>	<u>          </u>
Total deferred tax	(445,617)	61,086
	<u>          </u>	<u>          </u>
<b>Total tax charge</b>	<u>(445,617)</u>	<u>15,818</u>



**Stage Electrics Partnership Limited****Notes to the financial statements (continued)****For the period ended 31 July 2016****11 Taxation (continued)**

The actual (credit)/charge for the period can be reconciled to the expected (credit)/charge for the period based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
(Loss)/profit before taxation	(2,196,995)	312,521
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.32%)	(439,399)	66,629
Tax effect of expenses that are not deductible in determining taxable profit	19,080	31,228
Adjustments in respect of prior years	-	(91,101)
Group relief	-	(30,099)
Permanent capital allowances in excess of depreciation	(34,731)	33,745
Adjustments in respect of financial assets	(63,965)	10,587
Deferred tax adjustments in respect of prior years	56,335	-
Adjustment to closing deferred tax position of 20%	17,063	(5,171)
Tax expense for the period	(445,617)	15,818

**12 Intangible fixed assets**

	Trademark £
<b>Cost</b>	
At 1 February 2015 and 31 July 2016	117,500
<b>Amortisation and impairment</b>	
At 1 February 2015 and 31 July 2016	117,500
<b>Carrying amount</b>	
At 31 July 2016	-
At 31 January 2015	-

**Stage Electrics Partnership Limited**

**Notes to the financial statements (continued)**  
**For the period ended 31 July 2016**

**13 Fixed asset investments**

	<b>Notes</b>	<b>2016 £</b>	<b>2015 £</b>
Investments in subsidiaries	<b>15</b>	3,100	3,100
Unlisted investments		50,000	100,000
		<u>53,100</u>	<u>103,100</u>

**Movements in fixed asset investments**

	<b>Shares in group undertakings £</b>	<b>Other investments other than loans £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 February 2015	3,100	100,000	103,100
Disposals	-	(50,000)	(50,000)
	<u>3,100</u>	<u>50,000</u>	<u>53,100</u>
At 31 July 2016	3,100	50,000	53,100
<b>Carrying amount</b>			
At 31 July 2016	<u>3,100</u>	<u>50,000</u>	<u>53,100</u>
At 31 January 2015	<u>3,100</u>	<u>100,000</u>	<u>103,100</u>

A prior year adjustment has been included within the accounts to recognise the investments previously transferred to the parent company in order to be in line with legal ownership of the subsidiaries.

**Stage Electrics Partnership Limited**

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

**For the period ended 31 July 2016**

**14 Tangible fixed assets**

	Leasehold property	Plant, Fixtures and equipment and machinery	Fittings	Hire equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 February 2015	5,727,808	779,387	624,766	12,056,958	753,328	19,942,247
Additions	205,592	201,457	7,925	1,614,831	21,650	2,051,455
Disposals	(5,341,188)	(448,476)	(511,472)	(2,624,682)	(265,683)	(9,191,501)
At 31 July 2016	592,212	532,368	121,219	11,047,107	509,295	12,802,201
<b>Depreciation and impairment</b>						
At 1 February 2015	1,452,795	651,237	512,139	7,857,201	609,993	11,083,365
Depreciation charged in the period	188,016	122,270	35,157	1,383,437	47,935	1,776,815
Eliminated in respect of disposals	(1,298,117)	(438,389)	(453,840)	(2,348,033)	(239,751)	(4,778,130)
At 31 July 2016	342,694	335,118	93,456	6,892,605	418,177	8,082,050
<b>Carrying amount</b>						
At 31 July 2016	249,518	197,250	27,763	4,154,502	91,118	4,720,151
At 31 January 2015	4,275,013	128,150	112,627	4,199,757	143,335	8,858,882

Included within leasehold property is £nil (2015: £85,525) of interest that has been capitalised within the cost of the asset.

Of the total net book value of leasehold property above, £249,518 (2015: £120,254) is held on short lease.

Included within the net book value of tangible fixed assets is £2,637,919 (2015: £2,259,517) relating to assets held under finance lease. The depreciation charged to the financial statements in the year in respect of such assets amounted to £375,145 (2015: £424,656).

**Stage Electrics Partnership Limited****Notes to the financial statements (continued)****For the period ended 31 July 2016****15 Subsidiaries**

Details of the company's subsidiaries at 31 July 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
SE1 Events Limited	England and Wales	Dormant	100.00	
Theatre Vision Limited	England and Wales	Dormant	100.00	
Theatre Direct Limited	England and Wales	Dormant	100.00	
SLX Limited	England and Wales	Dormant	100.00	
Stage Electrics Limited	England and Wales	Dormant	100.00	

**16 Stocks**

	2016	2015
	£	£
Finished goods and goods for resale	1,307,323	1,129,349

**17 Debtors**

	2016	2015
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	2,724,504	2,656,278
Gross amounts due from contract customers	311,854	883,562
Amounts due from fellow group undertakings	4,186,101	4,686,286
Other debtors	93,118	153,558
Prepayments and accrued income	460,273	575,471
	7,775,850	8,955,155
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset (note 24)	400,000	-
<b>Total debtors</b>	<b>8,175,850</b>	<b>8,955,155</b>

**Stage Electrics Partnership Limited**

**Notes to the financial statements (continued)**  
**For the period ended 31 July 2016**

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

	Notes	2016 £	2015 £
Bank loans and overdrafts	21	1,323,200	527,747
Obligations under finance leases	20	886,722	832,862
Trade creditors		4,347,320	3,483,433
Gross amounts due to contract customers		561,652	1,087,140
Corporation tax		-	53,161
Other taxation and social security		426,530	473,674
Other creditors		405,974	762,757
Accruals and deferred income		233,080	176,208
		<u>8,184,478</u>	<u>7,396,982</u>

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

	Notes	2016 £	2015 £
Bank loans and overdrafts	21	-	2,705,452
Obligations under finance leases	20	871,479	761,076
		<u>871,479</u>	<u>3,466,528</u>

**20 Finance lease obligations**

	2016 £	2015 £
Future minimum lease payments due under finance leases:		
Within one year	886,772	832,862
In two to five years	871,479	761,076
	<u>1,758,201</u>	<u>1,593,938</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3.38 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

**Stage Electrics Partnership Limited****Notes to the financial statements (continued)****For the period ended 31 July 2016****21 Loans and overdrafts**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loans	-	3,233,199
Bank overdrafts	1,323,200	-
	<u>1,323,200</u>	<u>3,233,199</u>
Payable within one year	1,323,200	527,747
Payable after one year	-	2,705,452
	<u></u>	<u></u>

The bank loans are secured by a fixed and floating charge over the assets of the company.

All loans brought forward were repaid during the period ended 31 July 2016. The new loans in place are secured by fixed and floating charges over the assets of the company.

**22 Provisions for liabilities**

	<b>Notes</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Deferred tax liabilities	<b>24</b>	283,160	328,775
		<u>283,160</u>	<u>328,775</u>

**23 Retirement benefit schemes**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Charge to profit or loss in respect of defined contribution schemes	329,573	227,296
	<u></u>	<u></u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Notes to the financial statements (continued)  
For the period ended 31 July 2016

24 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £	Assets 2016 £	Assets 2015 £
<b>Balances:</b>				
Accelerated capital allowances	291,900	339,459	-	-
Tax losses	-	-	400,000	-
Short term timing differences	(8,740)	(10,684)	-	-
	<u>283,160</u>	<u>328,775</u>	<u>400,000</u>	<u>-</u>
<b>Movements in the period:</b>				<b>2016 £</b>
Liability at 1 February 2015				328,775
Credit to profit and loss				(445,615)
Liability/(Asset) at 31 July 2016				<u>(116,840)</u>

The deferred tax asset relates to the utilisation of tax losses against future expected profits. The company is expected to be profitable over the next 12 months and indeed foreseeable future; although the reversal of the asset is uncertain of timing. The deferred tax liability relates to accelerated capital allowances and is expected to reverse in the future; the timing of which is also uncertain.

**Stage Electrics Partnership Limited****Notes to the financial statements (continued)****For the period ended 31 July 2016****25 Share capital**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
133,332 Ordinary shares of £1 each	133,332	133,332
3,333 'C' Ordinary shares of £1 each	3,333	3,333
	<u>136,665</u>	<u>136,665</u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
159,091 preference shares of £1 each	<u>159,091</u>	<u>159,091</u>

All shares rank pari passu in the event of any winding up or return of capital.

**26 Share premium account**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
At beginning and end of period	<u>101,066</u>	<u>101,066</u>

The share premium account represents the premium arising on the issue of equity shares, net of issue expenses.

**27 Capital redemption reserve**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
At beginning and end of period	<u>3,688,249</u>	<u>3,688,249</u>

The capital redemption reserve represents the value of ordinary shares repurchased by the company.



**Stage Electrics Partnership Limited**

**Notes to the financial statements (continued)**  
**For the period ended 31 July 2016**

**28 Profit and loss reserves**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>as restated £</b>
At the beginning of the period	3,769,130	3,472,427
(Loss)/profit for the period	(1,751,378)	296,703
At the end of the period	<u>2,017,752</u>	<u>3,769,130</u>

**29 Operating lease commitments**

**Lessee**

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

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Within one year	416,049	532,296
Between two and five years	1,672,716	1,548,996
In over five years	-	87,582
	<u>2,088,765</u>	<u>2,168,874</u>

**30 Controlling party**

The company is a subsidiary undertaking of SLX Group Limited (previously named VPT1 Limited) which is the immediate parent company incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by SLX Group Limited. No other group financial statements include the results of the company. The consolidated financial statements of this group are available to the public and may be obtained from Encore House, Unit 3 Britannia Road, Patchway, Bristol, BS34 5TA.

**Stage Electrics Partnership Limited**

**Notes to the financial statements (continued)**  
**For the period ended 31 July 2016**

**31 Prior period adjustment**

**Changes to the statement of financial position**

Balances as restated before FRS 102 transition adjustments:

	As previously reported	Adjustment	As restated
	£	£	£
<b>Fixed assets</b>			
Investments	100	103,000	103,100
<b>Current assets</b>			
Debtors due within one year	9,058,155	(103,000)	8,955,155
	<u>          </u>	<u>          </u>	<u>          </u>
 Net assets	 8,174,027	 -	 8,174,027
	<u>          </u>	<u>          </u>	<u>          </u>

**Changes to the income statement**

Balances as restated before FRS 102 transition adjustments:

	Period ended 31 July 2015		
	As previously reported	Adjustment	As restated
	£	£	£
Profit for the financial period	346,303	-	346,303
	<u>          </u>	<u>          </u>	<u>          </u>

**32 Reconciliations on adoption of FRS 102**

**Reconciliation of equity**

	Notes	1 February 2014 £	1 February 2015 £
Equity as reported under previous UK GAAP		7,827,724	8,174,027
Adjustments arising from transition to FRS 102:			
Fair value of interest rate swap	1	(270,226)	(319,826)
		<u>          </u>	<u>          </u>
Equity reported under FRS 102		7,557,498	7,854,201
		<u>          </u>	<u>          </u>

**Stage Electrics Partnership Limited**

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

**For the period ended 31 July 2016**

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**32 Reconciliations on adoption of FRS 102 (continued)**

**Reconciliation of profit for the financial period**

	<b>Notes</b>	<b>2015 £</b>
Profit as reported under previous UK GAAP		346,303
Adjustments arising from transition to FRS 102:		
Fair value of interest rate swap	<b>1</b>	(49,600)
Profit reported under FRS 102		<u>296,703</u>

**Notes to reconciliations on adoption of FRS 102**

**Interest rate swap**

Transition adjustment 1 reflects the inclusion of a derivative financial instrument measured at fair value through profit and loss on the statement of financial position in accordance with FRS 102.