Registered Number:
SC082081

SCOTTISH EVENT CAMPUS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

COMPANY INFORMATION

Directors	William Whitehorn Peter Duthie Carole Forrest (resigned 1 April 2021) William McFadyen Pauline Lafferty Morag McNeill Susan Aitken Francis McAveety John Watson George Gillespie Elaine Galletly (appointed 1 April 2021)
Company Secretary	William McFadyen
Registered Number	SC082081
Registered Office	Scottish Event Campus Glasgow G3 8YW
Trading Address	Scottish Event Campus Glasgow G3 8YW
Independent Auditor	Ernst & Young LLP G1, 5 George Square Glasgow G2 1DY

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GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Introduction

The Directors present their strategic report for the year ended 31 March 2021. The report is presented as follows:

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1. Business Review

The year to 31 March 2021 was, understandably, completely dominated by the COVID-19 pandemic. We have been proud to play our part in the national response to the crisis by supporting the NHS Louisa Jordan. When the campus closed on 20 March 2020 due to the pandemic, our key aims were the safety and wellbeing of our team members and ensuring that the SEC emerged from the pandemic with the ability to service and host the multitude of events we facilitate across our campus each year. Since the campus closed, we have rescheduled a large number of events into future years. The United Nations Climate Change Conference (COP26) has been rescheduled to November 2021.

The pandemic saw the SEC incur a pre-tax loss of just over £1m for the year. The loss was mitigated by achieving some income in our commercial and ticketing sectors, the careful reduction in non-essential spend, the provision of services to the NHS Louisa Jordan on a cost recovery basis, use of the Job Retention Scheme, local authority rates exemption and a successful claim on our Business Interruption insurance policy. Other government emergency sector funding available was not utilised by SEC.

Despite the difficult circumstances, the business remains strong with the cash position and forward business levels healthy. Appropriate financial modelling has been undertaken to support the assessment of the business as a going concern. We have retained all staff positions, with some areas added to as we continue our preparations for COP26 and the return of other events. A comprehensive staff reboarding programme has been created as well as enhanced Health and Safety protocols to deal with COVID-19 requirements.

During 2020, the Events Industry Advisory Group was established to provide a coordinated voice during the national response and recovery planning. The group is chaired by our Chief Executive, Peter Duthie and has representation from our Operations team. Regular meetings ensure an industry wide response and government engagement to assist the sector recovery and reopening from the pandemic. Several other team members are involved in leading the UK event industry's response to the pandemic in each of the sectors in which we operate.

As noted in our prior year results, the SEC campus has hosted the NHS Louisa Jordan temporary medical facility since March 2020. The facility was completed in a matter of weeks and involved collaboration among the Scottish Government, NHS Scotland, SEC and contractors. Since the opening of the facility in April 2020, our team members have played a crucial role in providing services to the NHS Louisa Jordan. Their many years of experience on the campus have been invaluable in ensuring the smooth operation of the facility. Thankfully, the facility was not used for the treatment of COVID-19 patients and was repurposed for other uses. Over 32,000 urgent outpatient and diagnostic appointments, a clinical skills educational hub (used by 6,900 individuals) and over 175,000 vaccinations were delivered.

The venue Licence Agreement for the NHS Louisa Jordan was extended to 31 July 2021 with the facility in the SEC Centre now decommissioned. The SSE Hydro, which was included in the original Licence Agreement, was returned to SEC on 31 July 2020. To ensure we continue to support the vaccination rollout, the SSE Hydro has subsequently been used as a vaccination centre since 5 April 2021. With the possible staging of events looking more optimistic, both buildings were returned to SEC on 31 July 2021. This will allow us to continue our preparation for rescheduled and other contracted events including COP26.

There was a net cash outflow from operating activities of £0.9m (2020 inflow £11.2m) for the year. The outflow was due to the continued funding of the reduced cost base of the business.

Notwithstanding current challenges, the overall vision for the business – 'To be the best event campus in Europe' adopted with the mission statement - 'Best Venues, Best People, Best Events' continues to drive our business. The pandemic has served to reinforce the importance of our focus on our people which is reflected in our core values – Teamwork, Respect, Positive, Friendly, Fun and Healthy.

The ambitious plan to upgrade and expand the campus, principally to facilitate further growth in the Conference and Exhibition sectors, is being pursued. In the current financial year, the Planning Permission in Principle application has been granted. The plans are supported by a robust business case and an economic impact study. The challenge is to secure public sector grant funding support for the project to proceed which would be of significant benefit to the Glasgow, Scottish and UK economies.

Works should commence on a refurbishment of the station walkway, a Glasgow City Deal project, after the hosting of COP26. The development of two hotels on the campus is underway with the opening of both expected in 2021, subject to the lifting of the construction restrictions imposed by COVID-19. The new hotels will increase the number of hotel bedrooms in the vicinity of the campus from 950 to almost 1,400. This will be an invaluable addition and will support our growing Conference and Exhibition sectors as well as our Live Entertainment offering.

The wider development plans fit with the strategic objectives of Glasgow City Council, as major shareholder, to ensure additional economic benefit across the city in terms of spend on hotels, restaurants, retail, and the related employment. The campus will continue to generate economic benefits for Glasgow, Scotland and the rest of the UK.

In December 2020, the SEC received a Partner Recognition Award at the first virtual ABPCO Excellence Awards (Association of British Professional Conference Organisers) for our management of client relationships during the pandemic. The SEC was shortlisted for Best Venue (20,000sqm +) and Best Team: Customer Experience with QD Events shortlisted for no less than 8 awards at the AEO (Association of Exhibition Organisers) Awards; both The Irn-Bru Carnival and The Scottish Caravan, Motorhome and Holiday Show have been recognised for marketing, innovation, use of social media and Best Live Event/Consumer Show. Team members have also been shortlisted for Best Organiser Salesperson and Unsung Hero. From these nominations they won the Best Live Event Award and the Marketing Campaign of the Year Award both for The Irn-Bru Carnival and the Best Organiser Salesperson for the Scottish Caravan, Motorhome and Holiday Home Show.

Employees

We have managed three separate workforces throughout the pandemic crisis: core worker “on campus”, core workers “at home” and those on furlough. Our top priority has been the health and safety of our team members and their families. With this in mind, we added to our established values, a new value #HEALTHY.

This supported the inclusion of a new mental health strategy and various activations focused on improving the wellbeing of our team members. The icon of our value was designed by the child of an SEC team member. We believe this allows us to subtly mark the year where team members invited SEC into their homes through virtual meetings.

We have implemented a welfare crisis strategy, ensuring regular communications and one to one care calls across our team, which has been very positively received and allowed us to maintain morale. Our current focus is on our reboarding experience which will have a unique feel as each team member journeys back to our iconic venues.

To support our Equality & Diversity commitments, we have created a mandatory Equality and Diversity module which has been completed by all team members.

We believe that all of the above shows our commitment to our people, which will ultimately be the critical success factor in the restart of our business, our industry and our role in the Glasgow economy.

Community Engagement

SEC continues to partner with the Beatson Cancer Charity and Nordoff Robbins Scotland.

We also continue to support the Royal Hospital for Children with their Christmas Grotto. The grotto is now in its 4th year, overcoming many Health and Safety challenges that go with such a complex environment. It has become legendary amongst the medical staff and the Glasgow children, providing happiness at a very special time of year. Despite the difficult circumstances, for Christmas 2020, we managed to provide a virtual grotto. Whilst it was a different experience, we are confident that our little bit of magic still provided a special 2020 Christmas memory, whilst raising much needed funds for the charity.

Our Learning Journey is our way of supporting Scotland’s young people and whilst our progress this year has been impacted by the crisis, we have continued to support virtually where possible. We have maintained exceptional relationships with the Glasgow Chamber of Commerce and partnerships such as Developing the Young Workforce. We will continue our Learning Journey throughout 2021 to ensure the SEC supports young people as we emerge from the crisis.

Health, Safety & Security

Health & Safety is SEC's number one priority and we strive to make SEC a healthy and safe place to be. We remain committed to driving standards at the SEC and across the industry, always providing a safe and healthy environment for all staff, customers and clients.

As well as the construction and operation of the Louisa Jordan, the pandemic also brought new Health and Safety challenges to the business. There were no serious accidents or incidents during the construction and operation of the facility. A comprehensive staff reboarding programme has been created as well as enhanced Health and Safety protocols to deal with COVID-19 requirements and ensure our team members, the wider workforce, visitors and members of the public are protected.

Our Best Health and Safety Group has representatives from across the business, and the Health and Safety Charter, health and safety is considered in everything we do.

Our commitment to the wellbeing of our employees is focused and evolving. With team activations limited this year we have provided services focused on physical and mental health wellbeing and also provided access to services such as stress management, fitness, healthy eating and medical screening initiatives. The services and support provided by the People Team across the business have never been more important to ensure the wellbeing of our team members.

Our mental health first aiders and People Team have helped to promote positive conversations about potential illnesses. This has been a key asset through the pandemic and will continue as we reboard more team members as events return.

Sustainability

Despite the pandemic, in conjunction with our environmental and sustainability partners, SEC has continued to develop a comprehensive campus sustainability strategy with the objective of reducing the impact that the business has on the environment. Among the measures being undertaken to achieve this objective is the exploration of an ambitious net zero energy strategy for the Campus, aiming to generate and store renewable power onsite in support of Scotland's Climate Change Bill and directive to become a net zero society by 2045. The concept for the zero carbon campus has been completed and a more in depth, feasibility study is underway.

The SEC team has also taken measures to become more energy efficient, using electricity only from renewable sources, and through a strong partnership with Glasgow City Council, ensures the SEC sends zero waste to landfill, using the new state of the art Glasgow Recycling and Renewable Energy Centre for efficient waste reduction, re-use, enhanced recycling rates, and recovering renewable energy from residual waste.

The SEC supply chain is considered for environmental impact and all contractors that operate at the SEC are encouraged to adopt more environmentally friendly policies.

The SEC has retained its Gold Award in line with the Green Tourism Business Scheme (GTBS), which was originally awarded in 2009.

Healthy Venue

The SEC continues to champion the Healthy Venue Initiative, having become the first venue in the world to be awarded the World Obesity Federation's Silver Accreditation in 2016. The scheme sees the venue provide visitors and staff with healthier options across catering and exercise. This includes bespoke conference menus, low salt initiatives, free access to NextBikes and provision of pedometers for step challenges and local walking routes.

Economic

SEC calculates the economic benefits for the city and beyond using a model developed by EKOS in 2015. The model follows the recommendations of the HM Treasury Green Book for calculating economic impact and aligns the calculations with the model used by Glasgow City Council and the Scottish Government.

The measure of the net additional expenditure is not applicable this year since no events have been hosted due to the current COVID-19 restrictions.

With the rescheduling of numerous events to later in 2021 and beyond and the hosting of COP26, once we reopen we will continue the economic contribution which in previous years has contributed over £1.25m per day additional expenditure in the Glasgow area.

2. Financial Review

The loss for the year, after taxation, amounted to £1,099,930 (2020 - profit £1,560,681).

Key Performance Indicators are normally included under the Financial Review driven by the events we host. With no events hosted, there has been reductions across our income and cost base which are reflected in the results for the year. The focus has been ensuring the financial wellbeing of the business and that it can emerge from the pandemic and the return to business in a strong position.

The retention and rescheduling of events across our trading sectors as well as the retention of the majority of our partnership agreements, means we are well placed to return our sectors to pre-pandemic business levels.

In the Live Entertainment sector, many of our contracted events scheduled for 2020 and 2021 rescheduled to later in 2021 or into 2022. Once The SSE Hydro reopens, we expect a strong period of performances with a host of international artists playing the venue. The venue will be well placed to take advantage of the increased capacity of 14,300 which was implemented in 2019 and was tested through the period before the venue closed.

The SSE Hydro not only provides a purpose-built venue to host Live Entertainment events, but also provides an income opportunity from commercial activities including sponsorship and hospitality. The strong relationship we have built with our commercial partners has seen the vast majority of sponsorship agreements retained and ready to recommence when the venue reopens.

In March 2020, we completed the Super Suite to add to our Executive Suite and Hydro Club hospitality offerings. At present we have suspended all hospitality agreements, and these will recommence when the venue reopens. Our members have expressed strong interest in returning to The SSE Hydro for events.

Whilst not hosting any live events, QD Events, our events management subsidiary hosted virtual versions of The Scottish Caravan, Motorhome and Holiday Home Show and The Scottish Wedding Show with positive client and visitor feedback. Sales have continued for future shows with strong interest from exhibitors. QD will launch Go Explore a caravan and outdoor show which will be hosted at Farnborough in March 2022. The sector has expressed strong interest in the show with initial sales performance encouraging.

Interest payable during the year was £0.4m (2020 £0.3m) as a result of greater use of the bank facility. Interest receivable was less than £0.1m (2020 £0.2m) due to a reduction in interest rates on deposits held and a reduction in the amounts held on longer term deposit.

There was a net cash outflow from operating activities of £0.9m noted for the year, due to the ongoing business cost base being funded from cash reserves. The level of cash held on behalf of promoters is driven by the level of ticket sales for future events.

The Group has a revolving credit facility of £25m with the Clydesdale Bank which is used to support cash flows from operations if required. £10m of the £25m facility was drawn at the year end. Overall cash balances decreased by £2.0m in the year.

3. Principal Risks & Uncertainties

SEC operates a risk register for the key business risks. The risk register is reviewed by the SEC Audit and Risk Committee and the SEC Board on a regular basis. The principal risks and uncertainties facing the Group are broadly grouped as competitive, security, health & safety, technological and cash flow.

COVID-19 Risk

The COVID-19 pandemic has become a worldwide crisis and at the date of this report the situation is still evolving. The campus closed on 20 March 2020 and we continue to follow Health Protection Scotland guidance to ensure we respond to any developments quickly, safely and in the best interests of our people clients and visitors.

Management has taken a number of actions including rescheduling a large number of events to the following financial years, successfully claiming on our Business Interruption insurance policy, supporting the NHS with NHS Louisa Jordan, reducing operating costs, deferring payments of VAT and accessing the government Job Retention Scheme to reduce the impact on the business. Our cash reserves ensure adequate cash liquidity of the business to 30 September 2022 and is included in the note below in the assessment of going concern. The cash position and forward outlooks ensure that the group will be able to comply with the bank facility covenants. Looking forward, the greatest uncertainty is the timing, phasing and nature of the reopening of our business sectors including the impact of the pandemic on industry supply chain businesses.

The main risk and uncertainty of the impact of COVID-19 is around when events will return to campus. The Directors have considered scenarios of no events taking place until 1 October 2021 as well as worst-case modelling with periods of no income from events or partners until 1 October 2022 when assessing the impact COVID-19 may have on the Group's cash flows, liquidity and business activities.

The Directors believe the outlook of the Group remains positive due to the level of secured future business, cash reserves, available funding and the flexible nature of the campus to adapt to delivering events safely post pandemic. A large number of events have rescheduled to future years, including COP26 to November 2021, reducing the uncertainties of those financial years. An extended agreement supporting the NHS in Scotland with NHS Louisa Jordan until July 2021, reduces the uncertainty surrounding the 2021/22 financial year.

Competitive Risks

The principal risk to the Group is competition in the Conference and Exhibition sectors. The competitive landscape continues to evolve with the further development of new facilities and the upgrading of existing facilities in the UK and throughout Europe. The pandemic has seen an increase in interest for future conferences to have a virtual element as well as traditional attendance. The upgrade of our facilities and technology to host the virtual element of conferences is included as part of our planned campus investment. The SSE Hydro has placed the SEC in a strong position in the Live Entertainment and Box Office sectors.

Security Risks

The safety and wellbeing of our team, partners, clients and the public attending events on our campus is paramount. The Company frequently reviews security arrangements at our venues in consultation with Police Scotland, industry representatives and specialist consultants and will continue to update procedures accordingly. The public consultation on Making the Public Safe at Publicly Accessible Locations is underway and SEC has made appropriate representations in this important area for future event security considerations.

Health & Safety Risk

SEC is committed to providing a safe and healthy environment for all staff, customers and clients. A Health & Safety Committee is in place which includes Board representation to drive forward our Health & Safety Charter. Appointments of key staff and the development of comprehensive staff training plans have been implemented. Reporting of key Health & Safety information is provided to management monthly and is reviewed by the SEC Board and the SEC Audit and Risk Committee at each meeting.

Technology & Cyber Risks

Our current technology infrastructure has maintained a high number of team members working from home and our technology advances over the last 4 years, such as the implementation of an employee APP, digital noticeboards and virtual meeting capability has allowed us to seamlessly maintain our workforces throughout this time.

Further investment in our cyber infrastructure has been approved by the Board as well as additional investment in our IT team to ensure we minimise any threats to the business.

Where possible, we have continued to upgrade and implement systems and our hardware refresh cycle has continued. Our Cyber Strategy was reviewed in line with our new normal and any identified actions completed on a timely basis. We continue to focus on this area as our business plans for a restart.

We revamped all our online training to ensure that crisis management training was rolled out and completed by all team members.

All of the above has allowed us to have an agile approach to the management of our people and our business by using our existing technology platforms.

Cash Flow Risks

SEC aims to mitigate liquidity risk by managing cash generation by its operations through strict cash collection targets and advance payment requirements on contracted events. This has been further reinforced by the reduction of non-essential spend during the current period while no events are being hosted. A revolving credit bank facility is in place which is used as required to support cash flows from operations.

There are also industry accepted agreements regarding advance ticket sales on box office operations for events which take place at the SEC and other venues.

SEC operates a strong approach to treasury management to ensure that there is a balance between interest deposit yield and cash access for operational liquidity.

Robust cash flow forecasting exists to ensure that anticipated cash demands, particularly in relation to development and capital programmes, are known and planned, to ensure that outgoings are balanced by anticipated trading receipts.

The SEC's principal financial instrument is cash in hand and on deposit. The Group has various other financial assets such as trade debtors and creditors that arise directly from its trading operations.

The Group offers forward foreign currency contracts to our international conference clients to reduce exposure to the variability of foreign exchange rates by fixing the rate of any material payments in a foreign currency.

This report was approved by the SEC Board and signed on its behalf.

Peter Duthie
Director
Date:

The Directors present their report and the financial statements for the year ended 31 March 2021.

Going Concern

The Group's business activities, a review of the business and a description of the principal risks and uncertainties, together with the Group's financial risk management processes and narrative regarding its exposure to key financial risks are outlined in the Strategic Report.

The financial statements have been prepared on a going concern basis. The impact of COVID-19 at and after the balance sheet date has had a significant impact on the financial plans of the Group. In particular, COVID-19 has resulted in the closure of the campus and cancellation of all events since 20 March 2020 to the date of these financial statements. This closure, as well as longer term uncertainty around the future of mass gatherings, has had a significant impact on the Group's forecast cash flow through to the assessment period to 30 September 2022.

In response to the cancellation of events the Directors have taken measures to protect our people, clients and business which include:

- The utilisation of the Job Retention Scheme.
- A significant reduction of the non-essential cost base.
- Successful application for local authority rates exemption for the year to March 2022.
- Received proceeds from our Business Interruption insurance policy.

Furthermore, in March 2020, and as announced on 30 March 2020 by Scotland's First Minister, the Group also agreed with the Scottish Government to the closure of the campus to support the NHS in Scotland, with the NHS Louisa Jordan temporary medical facility being established. The facility was created to increase patient capacity during the coronavirus pandemic. Thankfully, the facility was not used for COVID-19 patient treatment and was repurposed to provide outpatient services, staff and student training, blood transfusion services and finally as a vaccination centre as the vaccination rollout commenced. The facility in the SEC Centre is now being decommissioned and was returned to SEC on 31 July 2021 to allow our preparation for the return to events and the hosting of COP26 to be ramped up. The SSE Hydro was initially utilised as part of the Louisa Jordan facility but was returned to the Group on 31 July 2020. With the decommissioning of the SEC Centre underway, vaccinations moved to the SSE Hydro from 5 April 2021 and was utilised to 31 July 2021 prior to its return to SEC.

In assessing the going concern position of the Group, the Directors have considered the Group's cash flows, liquidity and business activities. In making the assessment, the Directors have considered worst-case modelling with no income from events or partners until 1 October 2022 to further support the assessment of the business as a going concern. This assessment demonstrates that no further external financing is required.

There is uncertainty around when events will return to campus and the impact COVID-19 will have on events for the foreseeable future and the future financial position of the Group. The Directors have considered the impact and uncertainties of COVID-19 and believe the outlook of the Group remains positive due to a large number of events rescheduling to future years, including COP26 to November 2021, and an agreement to support the NHS in Scotland with NHS Louisa Jordan to July 2021.

The extension of the Job Retention Scheme to September 2021 and the exemption from local authority rates for the year to March 2022 will reduce the impact on the business as we await the restart of events. With the vaccine rollout the Directors remain optimistic and believe the business is well placed to manage the risks due to the level of secured future business, cash reserves and the flexible nature of the campus to adapt to delivering events safely post pandemic.

The assessment has taken into account the current measures put in place to preserve cash and reduce discretionary expenditure during a period when the campus is all but temporarily closed. The Directors have considered the additional options that are available to the Group to further mitigate expenditure and the impact on its cash flow and liquidity should they be required.

The cash flow forecasts prepared in the assessment show a continuing positive cash position and remaining within the current cash available and funds drawn down from the bank facility to date. This headroom is before considering the remaining available funding from the revolving credit facility which is available to the Directors.

The current revolving credit bank facility is secured until September 2022. £10 million has been drawn to date from the £25 million available finance. Whilst we expect to meet our bank covenant requirements through the remainder of 2021 and the period to 30 September 2022, the worst case modelling described above indicates a covenant breach during the period, but sufficient liquid funds to enable the facility to be repaid if required from available cash resources.

Whilst the analysis has been prepared on a Group basis, given the majority of the Group's activities are conducted through the Company, the Directors consider the same analysis applies to the Company. Having assessed the combination of the various options and mitigations available, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months. For these reasons, they continue to adopt a going concern basis for preparation of the financial statements.

Results and Dividends

The loss for the year, after taxation, amounted to £1,099,930 *(2020 - profit £1,560,681)*.

A business and development review and detailed financial review are presented in the Group strategic report. The cash generated from trading is used to support the ongoing operating costs of the business during the pandemic until there is a return to events. The Directors are unable to recommend the payment of a dividend (2020 - £NIL).

Principal Activity

Outwith the current COVID-19 restrictions and the hosting of the NHS Louisa Jordan medical facility, the principal activities are the management and promotion of the SEC in the national and international market for exhibitions, conferences, corporate, live entertainment and other special and sporting events.

The principal function is renting space at the SEC to stage exhibitions, conferences, concerts and other events. The venue business is supported by a successful exhibition organising company and a box office operation which provides a full ticketing service for events staged at the SEC and other venues.

Hall rental charges vary by market sector, as is normal across the industry. The objective is to maximise revenue through an optimising mix of business in the SEC Centre, SEC Armadillo and The SSE Hydro.

Most exhibition and conference centres throughout Europe are publicly owned. They are built and operated to generate wider economic benefits for the core geographic area of operation.

The prime remit of the SEC is to operate on an arm's length commercial basis whilst still generating the wider economic benefits highlighted above. The Group has been highly successful in balancing these objectives over many years. Within this context, the SEC recognises the main aspirations of its principal shareholder, Glasgow City Council, to maximise the economic benefits the business brings to the Greater Glasgow area.

Directors

The Directors who served during the year were:

William Whitehorn
Peter Duthie
Carole Forrest (resigned 1 April 2021)
William McFadyen
Pauline Lafferty
Morag McNeill
Susan Aitken
Francis McAveety
John Watson
George Gillespie
Elaine Galletly (appointed 1 April 2021)

Qualifying Third Party Indemnity Provisions

SEC has granted indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 in the Companies Act 2006. Such qualifying third-party indemnity provision remains in force at the date of approving the Directors' Report.

Disclosure of Information to Auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the SEC Board and signed on its behalf.

Peter Duthie
Director
Date:

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

The Directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of Scottish Event Campus Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 31, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 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 group's and of the parent company's affairs as at 31 March 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – ongoing impact of COVID-19

We draw attention to note 1 of the financial statements, which describes the operational and financial impact on the group and on the parent company of COVID-19, the impact of the restrictions on holding large scale events and the resulting impact on the group and on the parent company's financial performance. Our opinion is not modified in respect of this matter.

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, ma cast significant doubt on the group and parent company's ability to continue as a going concern for a period from when the financial statements are authorised for issue up until 30 September 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is 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 the 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 Group 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 Group Strategic Report and 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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, 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 set out on page 13, 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's 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 the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are FRS 102, the Companies Act 2006 and the relevant tax compliance regulations in the UK.
- We understood how Scottish Event Campus Limited is complying with those frameworks by making enquiries of management. We corroborated our enquiries through our review of Board minutes and papers, and attendance at Audit Committee meetings and we noted that there was no contradictory evidence.
- We assessed the susceptibility of the group and parent company's financial statements to material misstatement, including how fraud might occur by meeting with management, and members of the finance team, to understand where it considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence efforts made by management to manage revenue. We considered the procedures and controls that are established to address the risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitor those procedures and controls.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures included those on revenue recognition, including furlough income received in the year, and the testing of journal entries, and were designed to provide reasonable assurance that the financial statements were free from material fraud or error. We have used data analytics to highlight potentially anomalous transactions in areas which we determined to have an elevated fraud risk. We have reviewed financial statements disclosures and performed sample testing of specific transactions to supporting documentation to access compliance with applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located 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 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.

Stephen Reid (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh
Date:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
TURNOVER	4	***19,825,618***	33,323,071
OPERATING COSTS		***(20,522,511)***	(30,907,099)
OPERATING (LOSS) / PROFIT	5	***(696,893)***	2,415,972
Gain on sale of asset	8	-	3,808
Interest receivable and similar income	9	***44,886***	225,052
Interest payable	10	***(409,571)***	(317,706)
Gain on financial liability at fair value		-	48,264
(LOSS) / PROFIT BEFORE TAXATION		***(1,061,578)***	2,375,390
Tax on profit on ordinary activities	11	***(38,352)***	(814,709)
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		***(1,099,930)***	1,560,681
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE FINANCIAL YEAR		***(1,099,930)***	1,560,681
(LOSS) / PROFIT ATTRIBUTABLE TO			
Owners of the parent company		***(1,099,930)***	1,560,681
		(1,099,930)	1,560,681
TOTAL COMPREHENSIVE (LOSS) / INCOME ATTRIBUTABLE TO			
Owners of the parent company		***(1,099,930)***	1,560,681
		(1,099,930)	1,560,681

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	14		***95,408,485***		98,262,054
Goodwill	13		***-***		-
			95,408,485		98,262,054
Current assets					
Debtors: amounts falling due within one year	15	***9,059,267***		5,452,258	
Financial asset	27	***360,531***		456,218	
Bank and cash balances	27	***34,972,447***		28,779,586	
Short term bank deposits	27	***43,815***		8,117,508	
		44,436,060		42,805,570	
Creditors: amounts falling due within one year	16	***(33,769,705)***		(49,525,826)	
Net current assets /(liabilities)			***10,666,355***		(6,720,256)
Total assets less current liabilities			***106,074,840***		91,541,798
Creditors: amounts falling due after more than one year	17		***(55,267,039)***		(38,858,205)
Provisions for liabilities					
Deferred taxation	21	***(2,420,571)***		(2,382,219)	
Accruals and deferred grants					
Deferred government grants	22	***(32,450,733)***		(33,264,946)	
			(34,871,304)		(35,647,165)
Net assets			***15,936,498***		17,036,428
Capital and reserves					
Called up share capital	23		***21,900,000***		21,900,000
Capital redemption reserve	24		***2,750,000***		2,750,000
Profit and loss account	24		***(8,713,502)***		(7,613,572)
Equity attributable to owners of the parent Company			***15,936,498***		17,036,428
			15,936,498		17,036,428

The financial statements were approved and authorised for issue by the SEC Board and were signed on its behalf by:

Peter Duthie
Chief Executive Officer
Date:
The notes on pages 24 to 47 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note		**2021 £**		2020 £
Fixed assets					
Tangible assets	14		***95,126,833***		97,931,638
Investments	31		***800,102***		800,102
			95,926,935		98,731,740
Current assets					
Debtors: amounts falling due within one year	15	***8,204,471***		4,530,991	
Financial asset		***360,531***		456,218	
Bank and cash balances		***34,865,880***		28,512,992	
Short term bank deposits		***43,815***		8,117,508	
		43,474,697		41,617,709	
Creditors: amounts falling due within one year	16	***(32,389,879)***		(49,056,896)	
Net current assets/(liabilities)			***11,084,818***		(7,439,187)
Total assets less current liabilities			***107,011,753***		91,292,553
Creditors: amounts falling due after more than one year	17		***(54,885,965)***		(38,560,542)
Provisions for liabilities					
Deferred taxation	21	***(2,409,298)***		(2,366,190)	
Accruals and deferred grants					
Deferred government grants	22	***(32,450,733)***		(33,264,946)	
			(34,860,031)		(35,631,136)
Net assets			***17,265,757***		17,100,875
Capital and reserves					
Called up share capital	23		***21,900,000***		21,900,000
Capital redemption reserve	24		***2,750,000***		2,750,000
Profit and loss account	24		***(7,384,243)***		(7,549,125)
			17,265,757		17,100,875

The financial statements were approved and authorised for issue by the SEC Board and were signed on its behalf by:

Peter Duthie
Chief Executive Officer
Date:
The notes on pages 24 to 47 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2020	21,900,000	2,750,000	(7,613,572)	17,036,428
Comprehensive income for the year				
Loss for the year	-	-	(1,099,930)	(1,099,930)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(1,099,930)	(1,099,930)
Total transactions with owners	-	-	-	-
At 31 March 2021	21,900,000	2,750,000	(8,713,502)	15,936,498

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2019	21,900,000	2,750,000	(9,174,253)	15,475,747
Comprehensive income for the year				
Profit for the year	-	-	1,560,681	1,560,681
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	1,560,681	1,560,681
Total transactions with owners	-	-	-	-
At 31 March 2020	21,900,000	2,750,000	(7,613,572)	17,036,428

The notes on pages 24 to 47 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2020	21,900,000	2,750,000	(7,549,125)	17,100,875
Comprehensive income for the year				
Profit for the year	-	-	164,882	164,882
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	164,882	164,882
Total transactions with owners	-	-	-	-
At 31 March 2021	21,900,000	2,750,000	(7,384,243)	17,265,757

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2019	21,900,000	2,750,000	(9,358,255)	15,291,745
Comprehensive income for the year				
Profit for the year	-	-	1,809,130	1,809,130
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	1,809,130	1,809,130
Total transactions with owners	-	-	-	-
At 31 March 2020	21,900,000	2,750,000	(7,549,125)	17,100,875

The notes on pages 24 to 47 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	**2021** £	2020 £
Net cash (outflow) / inflow from operating activities	25	***(878,829)***	11,290,112
Returns on investments and servicing of finance	26	***(364,685)***	(92,654)
Capital expenditure and financial investment	26	***(733,006)***	(2,523,483)
CASH (OUTFLOW) / INFLOW BEFORE FINANCING		***(1,976,519)***	8,673,975
(DECREASE) / INCREASE IN CASH IN THE YEAR		***(1,976,519)***	8,673,975

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT

	2021 £	2020 £
(Decrease) / Increase in cash in the year	***(1,976,519)***	8,673,975
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	***(1,976,519)***	8,673,975
MOVEMENT IN NET DEBT IN THE YEAR		
Net funds at 1 April 2020	***37,353,312***	28,679,337
Movement in net debt resulting from cash flows	***(1,976,519)***	8,673,975
NET FUNDS AT 31 MARCH 2021	***35,376,793***	37,353,312

The notes on pages 24 to 47 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The “Scottish Event Campus Limited” is a limited liability company incorporated in Scotland whose registered office is at Scottish Event Campus, Glasgow, G3 8YW.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Group's accounting policies (see note 2).

The financial statements have been prepared in sterling which is the functional currency of the Group and reported to the nearest £.

1.2 Basis of consolidation

The consolidated financial statements present the results of the Scottish Event Campus Limited and its subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

No statement of comprehensive income is presented for the Scottish Event Campus Limited as permitted by section 408 of the Companies Act 2006.

1.3 Going concern

The Group’s business activities, a review of the business and a description of the principal risks and uncertainties, together with the Groups’s financial risk management processes and narrative regarding its exposure to key financial risks are outlined in the Strategic Report.

The financial statements have been prepared on a going concern basis. The impact of COVID-19 at and after the balance sheet date has had a significant impact on the financial plans of the Group. In particular, COVID-19 has resulted in the closure of the campus and cancellation of all events since 20 March 2020 to the date of these financial statements. This closure, as well as longer term uncertainty around the future of mass gatherings, has had a significant impact on the Group’s forecast cash flow through to the period to September 2022, 12 months from the reporting date.

1.3 Going concern (continued)

In response to the cancellation of events, the Directors have taken measures to protect our people, clients and business which include:

- The utilisation of the government Job Retention Scheme.
- A significant reduction of the non-essential cost base.
- Successful application for local authority rates exemption for the year to March 2022.
- Received proceeds from our Business Interruption insurance policy.

Furthermore, in March 2020, and as announced on 30 March 2020 by Scotland's First Minister, the Group also agreed with the Scottish Government to the closure of the campus to support the NHS in Scotland, with the NHS Louisa Jordan temporary medical facility being established. The facility was created to increase patient capacity during the coronavirus pandemic. Thankfully, the facility was not used for COVID-19 patient treatment and was repurposed to provide outpatient services, staff and student training, blood transfusion services and finally as a vaccination centre as the vaccination rollout commenced. The facility in the SEC Centre is now decommissioned and was returned to SEC on 31 July 2021 to allow our preparation for the return to events and the hosting of COP26 to be ramped up. The SSE Hydro was initially utilised as part of the Louisa Jordan facility but was returned to the Group on 31 July 2020. With the decommissioning of the SEC Centre underway, vaccinations moved to the SSE Hydro from 5 April 2021 and was utilised until 31 July 2021 prior to its return.

In assessing the going concern position of the Group, the Directors have considered the Group's cash flows, liquidity and business activities. In making the assessment, the Directors have considered worst-case modelling with periods of no income from events or partners and reduced capacity until 1 October 2022 to further support the assessment of the business as a going concern. This assessment demonstrates that no further external financing is required.

The Scottish Government announcements on the lifting of restrictions mean a return to events in the near future is more likely.The Directors have considered the impact and uncertainties of COVID-19 and believe the outlook of the Group remains positive due to a large number of events rescheduling into future years, including COP26 to November 2021 and an agreement to support the NHS in Scotland with NHS Louisa Jordan to July 2021.

The extension of the Job Retention Scheme to September 2021 and the exemption from local authority rates for the year to March 2022 will reduce the impact on the business as we await the restart of events.

With the vaccine rollout, and the lifting of restrictions, the Directors remain optimistic and believe the business is well placed to manage the risks due to the level of secured future business, cash reserves and the flexible nature of the campus to adapt to delivering events safely post pandemic. The assessment has taken into account the current measures put in place to preserve cash and reduce discretionary expenditure during a period when the campus is all but temporarily closed. The Directors have considered the additional options available to the Group to further mitigate expenditure and the impact on its cash flow and liquidity should they be required.

1.3 Going concern (continued)

The cash flow forecasts prepared in the assessment show a continuing positive cash position and remain within the current cash available and funds drawn down from the bank facility to date. This headroom is before considering the remaining available funding from the revolving credit facility which is available to the Directors.

The current revolving credit bank facility is secured until September 2022. £10 million has been drawn to date from the £25 million available finance. Whilst we expect to meet our bank covenant requirements through the remainder of 2021 and the period to 30 September 2022, sufficient liquid funds are available to enable the facility to be repaid from available cash resources if required.

Whilst the analysis has been prepared on a Group basis, given the majority of the Group's activities are conducted through the Company, the Directors consider the same analysis applies to the Company. Having assessed the combination of the various options and mitigations available, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months. For these reasons, they continue to adopt a going concern basis for preparation of the financial statements.

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

The Group recognises the revenue for space letting, ticketing, service and exhibition organising at the time the event takes place.

1.5 Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or a group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

1.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Subsequent costs, including major inspections, are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably. Repairs, maintenance and minor inspection costs are expensed as incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land, Buildings and Fixed Plant	-	primarily over 50 years
Plant and equipment	-	over 3 to 50 years
Motor vehicles	-	over 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

1.7 Valuation of investments

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.8 Financial instruments

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 remeasured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Group does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

1.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants relating to expenditure on tangible fixed assets are credited to the consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

Job Retention Scheme grant income relating to furloughed employees has been recognised in the period to which the underlying furloughed staff costs relate to.

1.10 Leased assets: the Group as lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives.

Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.11 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transition is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price.

In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

1.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position.

The assets of the plan are held separately from the Group in independently administered funds.

1.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the statement of financial position date and carried forward to future periods.

This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the statement of financial position date.

1.14 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

1.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

1.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.17 Related parties

The Group has taken advantage of an exemption not to disclose transactions with wholly owned subsidiaries. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements.

The Company entered into a sale and leaseback transaction in respect of previously owned assets. Based on an evaluation of the terms and conditions of the arrangements to determine whether the Company retained the significant risks and rewards of ownership of these assets, the Directors have considered it appropriate to continue to recognise the assets in the statement of financial position.

The following is the Company's key area of estimation uncertainty.

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits, together with an assessment of the effect of future tax planning strategies. Further details are contained in notes 11 and 21.

3. Subsequent events

There were no events subsequent to the balance sheet date.

4. *Turnover*

	2021	2020
	£	£
Space letting, ticketing, exhibition organising, contract compensatory payments and insurance proceeds.	**10,226,921**	32,472,403
Louisa Jordan service costs	**6,705,116**	-
Grant income	**2,893,581**	850,668
	19,825,618	33,323,071

Turnover includes receipts from compensatory payments and insurance proceeds from our Business Interruption claim. To facilitate the Louisa Jordan medical facility, the Group had to cancel existing contracts with a variety of clients and reimburse payments made which were compensated. The total payments along with insurance proceeds were 44% of total turnover (2020 0%).

Louisa Jordan service costs were in respect of expenditure incurred on behalf of Scottish Government under the Louisa Jordan Licence which were recharged at cost.

Grant income includes deferred capital grants of £814,213 and Job Retention Scheme receipts of £2,079,368.

All turnover arose within the United Kingdom.

5. *Operating loss*

The operating loss (2020 profit) is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	**3,586,572**	3,457,916
Amortisation of goodwill	**-**	20,777
Impairment of goodwill	**-**	83,108
Audit remuneration – audit services	**56,000**	65,000
Non audit services – taxation services	**10,000**	7,000

6. *Employees*

Staff costs, including Directors' remuneration, were as follows:

	2021	2020
	£	£
Wages and salaries	**8,556,410**	8,243,421
Social security costs	**883,455**	806,849
Cost of defined contribution scheme	**816,724**	790,328
	10,256,589	9,840,598

Government grant income under the Job Retention Scheme for furloughed employees of £2,079,368 relating to staff costs have been recognised as income in the year (Note 4).

The average monthly number of employees, including the Directors, during the year was as follows:

	2021	2020
	No.	No.
	243	235

7. *Directors' remuneration*

	2021	2020
	£	£
Directors' emoluments	**518,778**	595,467
Company contributions to defined contribution pension schemes	**18,499**	7,500
	537,277	602,967

The highest paid Director received remuneration of £232,259 *(2020 - £266,808)*.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL *(2020 - £2,500)*.

8. *Gain on sale of asset*

	2021	2020
	£	£
Gain on sale of other tangible fixed assets	**-**	3,808
	-	3,808

9. *Interest receivable*

	2021	2020
	£	£
Other interest receivable	**44,886**	*225,052*
	44,886	*225,052*

10. *Interest payable and similar charges*

	2021	2020
	£	£
Bank interest payable	**409,571**	*317,706*
	409,571	*317,706*

11. *Taxation*

	2021	2020
	£	£
UK Corporation tax on profits for the period	-	-
Adjustment in respect of previous periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	**(119,095)**	*590,126*
Effect of changes in tax rates	-	*213,275*
Adjustment in respect of previous periods	**157,447**	*11,308*
Total deferred tax	**38,352**	*814,709*
Taxation on profit on ordinary activities	**38,352**	*814,709*

11. *Taxation (continued)*

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19% *(2020 – 19%).*

The differences are explained below:

	2021	2020
	£	£
(Loss)/Profit on ordinary activities before tax	**(1,061,578)**	2,375,390
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**(201,700)**	*451,324*
Effects of:		
Expenses not deductible for tax purposes	**237,306**	300,430
Adjustments in respect of prior periods	**157,447**	11,308
Tax rate changes	**-**	*213,275*
Income not taxable	**(154,700)**	(161,628)
Deferred tax not provided	**-**	-
Total tax charge for the year	**38,352**	814,709

Factors affecting future tax charges

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, a Budget resolution (enacted 17 March 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%. Deferred taxes on the balance sheet have been measured at 19% (2020 – 19%) which represents the future corporation tax rate that was enacted at the balance sheet date.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the period end.

It is not anticipated that these changes will have a material impact on the company's deferred tax balances.

12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The profit after tax of the parent Company for the year was £164,882 *(2020 - £1,809,130)*.

13. Goodwill

	Goodwill
	£
Cost /Valuation	
At 1 April 2020	***103,885***
At 31 March 2021	***103,885***
Amortisation/Impairment	
At 1 April 2020	***103,885***
At 31 March 2021	***103,885***
Net book value	
At 31 March 2021	-
At 31 March 2020	-

14. Tangible fixed assets

Group

	Land, Buildings & Fixed Plant £	Assets under construction £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2020	151,911,429	3,036,998	20,487,207	183,790	175,619,424
Additions	356,476	-	376,530	-	733,006
Disposals	(8,730)	-	(1,376,480)	-	(1,385,210)
At 31 March 2021	***152,259,175***	***3,036,998***	***19,487,257***	***183,790***	***174,967,220***
Depreciation					
At 1 April 2020	61,586,637	-	15,623,278	147,455	77,357,370
Charge for the period on owned assets	2,452,180	-	1,126,764	7,628	3,586,572
Disposals	(8,730)	-	(1,376,480)	-	(1,385,210)
At 31 March 2021	***64,030,087***	***-***	***15,373,562***	***155,083***	***79,558,732***
Net book value					
At 31 March 2021	***88,229,088***	***3,036,998***	***4,113,695***	***28,707***	***95,408,485***
At 31 March 2020	***90,324,792***	***3,036,998***	***4,863,929***	***36,335***	***98,262,054***

14. Tangible fixed assets (continued)

Company

	Land, Buildings & Fixed Plant £	*Assets under construction* £	*Plant and machinery* £	*Motor vehicles* £	*Total* £
Cost or valuation					
At 1 April 2020	151,894,472	3,036,998	19,292,226	164,582	174,388,278
Additions	356,476	-	358,530	-	715,006
Disposals	(8,730)	-	(1,376,480)	-	(1,385,210)
At 31 March 2021	***152,242,219***	***3,036,998***	***18,274,276***	***164,582***	***173,718,074***
Depreciation					
At 1 April 2020	61,565,450	-	14,762,942	128,248	76,456,640
Charge for the period on owned assets	2,450,508	-	1,061,677	7,628	3,519,813
Disposals	(8,730)	-	(1,376,480)	-	(1,385,210)
At 31 March 2021	***64,007,228***	***-***	***14,448,139***	***135,876***	***78,591,241***
Net book value					
At 31 March 2021	***88,234,991***	***3,036,998***	***3,826,137***	***28,706***	***95,126,833***
At 31 March 2020	90,329,022	3,036,998	4,529,284	36,334	97,931,638

15. Debtors

	Group 2021 £	Group 2020 £	**Company 2021 £**	Company 2020 £
Trade debtors	***7,736,210***	3,499,614	***6,964,411***	2,641,692
Other debtors	***751,181***	929,824	***686,494***	917,833
Prepayments and accrued income	***561,677***	1,022,820	***553,566***	872,293
VAT repayable	***10,199***	-	**-**	99,173
	9,059,267	*5,452,258*	***8,204,471***	4,530,991

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	**Company 2021 £**	Company 2020 £
Bank facility drawdown	***10,000,000***	10,000,000	***10,000,000***	10,000,000
Trade creditors	***737,935***	609,257	***542,456***	460,705
Amounts owed to Group undertakings	**-**	-	***5,118,855***	4,600,181
VAT payable	***1,081,705***	422,127	***324,123***	-
Other taxation and social security	**-**	253,052	**-**	224,113
Obligations under finance lease and hire purchase contracts	***37,156***	40,978	***37,156***	40,978
Promoters and other creditors	***13,253,227***	26,630,235	***8,189,350***	22,677,136
Accruals, provisions and deferred income	***8,659,682***	*11,570,177*	***8,177,939***	*11,053,783*
	33,769,705	49,525,826	***32,389,879***	49,056,896

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

17. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	**Company 2021 £**	Company 2020 £
Net obligations under finance lease and hire purchase contracts	**-**	37,154	**-**	37,154
Sale and leaseback	***38,000,000***	38,000,000	***38,000,000***	38,000,000
Promoters, accruals and deferred income	***17,267,039***	821,051	***16,885,965***	523,388
	55,267,039	38,858,205	***54,885,965***	38,560,542

18. Short term bank loans

Group and Company

	2021 £	2020 £
Bank drawdown	***10,000,000***	10,000,000

The revolving credit bank facility continued to be drawn down in the year to reduce any cash flow risks. This was in the form of a short term bank loan of £10m which is shown above and included within Note 16 Creditors: Amounts falling due within one year.

19. Provisions

Group and Company

	2021 £
At beginning of year	***169,606***
Repayment	(95,687)
Movement charged to income statement	100,776
At end of year	***174,695***

20. *Hire purchase and finance leases*

Minimum lease payments under hire purchase plant and machinery fall due as follows:

	Group 2021 £	*Group 2020 £*	**Company 2021 £**	*Company 2020 £*
Within one year	***37,156***	40,978	***37,156***	40,978
Between 1-2 years	**-**	37,154	**-**	37,154
	37,156	78,132	***37,156***	78,132

21. *Deferred tax liability*

Group

	2021 £
At beginning of year	***2,382,219***
Adjustment in respect of prior years	157,447
Deferred tax charge to income statement for period	(119,095)
At end of year	***2,420,571***

Company

	2021 £
At beginning of year	***2,366,190***
Adjustment in respect of prior years	157,447
Charged to the profit or loss	(114,339)
At end of year	***2,409,298***

21. Deferred tax liability (continued)

The deferred tax liability is made up as follows:

	Group	***Company***
	£	***£***
RECOGNISED		
Fixed asset timing differences	2,923,198	2,911,924
Short-term timing differences	-	-
Trading losses	(502,627)	(502,627)
	2,420,571	***2,409,298***
UNRECOGNISED		
Trading losses	-	-
Capital losses	(87,662)	(80,951)
	(87,662)	***(80,951)***

22. Deferred grants

Group and Company

	Deferred Grants £
At 1 April 2020	***33,264,946***
Utilised in year	(814,213)
At 31 March 2021	***32,450,733***

The Group received two government grants for the development of The SSE Hydro and related works. The conditions of the grant required capital expenditure which were fully met when awarded. There are no unfulfilled conditions related to either grant and the only contingency for repayment would arise if a disposal of The SSE Hydro were made.

22. Deferred grants (continued)

The expected outflow of the deferred grant is as follows:	***2021*** ***£***	*2020* £
Within one year	***779,511***	814,213
Between 1-2 years	***777,786***	779,511
Between 2-5 years	***2,333,358***	2,333,358
Greater than 5 years	***28,560,078***	29,337,866

23. Share capital

	2021 ***£***	*2020* £
Shares classified as equity ***Allotted, called up and fully paid***		
21,900,000 Ordinary shares of £1 each	***21,900,000***	21,900,000

The Company has one class of ordinary share which carries full voting rights but no rights to fixed income or repayment of capital. Distributions are at the discretion of the Company.

24. Reserves

Group	***Capital redemption reserve*** ***£***	***Profit and loss account*** ***£***
At 1 April 2020	***2,750,000***	***(7,613,572)***
Total comprehensive income for the financial year	-	(1,099,930)
At 31 March 2021	***2,750,000***	***(8,713,502)***

Company	***Capital redemption reserve*** ***£***	***Profit and loss account*** ***£***
At 1 April 2020	***2,750,000***	***(7,549,125)***
Total comprehensive income for the financial year		164,882

At 31 March 2021	***2,750,000***	***(7,384,243)***

25. Net cash flow from operating activities

	2021	2020
	£	£
Operating (loss) / profit	***(696,893)***	2,415,972
Depreciation	***3,586,572***	3,457,916
Amortisation charges	***-***	20,777
Impairment charges	***-***	83,108
(Increase)/decrease in debtors	***(3,607,009)***	100,770
Increase in creditors	***652,713***	6,062,237
Deferred capital grant movement	***(814,213)***	(850,668)
Net cash (outflow)/ inflow from operating activities	***(878,829)***	11,290,112

26. Analysis of cash flows for headings netted in cash flow statement

	2021	*2020*
Returns on investments and servicing of finance	***£***	*£*
Interest received	***44,886***	225,052
Interest paid	***(409,571)***	(317,706)
Net cash outflow from returns on investments and servicing of finance	***(364,685)***	(92,654)

	2021	*2020*
Capital expenditure and financial investment	***£***	*£*
Purchase of tangible fixed assets	***(733,006)***	(2,040,280)
Goodwill	***-***	-
Reclassification of assets under construction	***-***	-
Net proceeds of asset sales	***-***	16,797
Sale and leaseback	***-***	(500,000)
Net cash outflow from capital expenditure	***(733,006)***	(2,523,483)

27. Analysis of changes in net funds

	1 April 2020 £	Cash flow £	Other non-cash changes £	31 March 2021 £
Cash at bank and in hand	***37,353,312***	***(1,976,519)***	-	***35,376,793***
Net funds	***37,353,312***	***(1,976,519)***	-	***35,376,793***

Included within cash at 31 March 2021 is an amount of £360,531 (2020 - £456,218) deposited into an escrow account to cover the potential maximum liability to City Parking (Glasgow) LLP for the loss of earnings from the expiry of the car park rent free period until the opening date of the hotel on the campus. Please refer to Note 29 for further information.

Also included within cash at 31 March 2021 was an amount of £43,815 (2020 - £8,117,508) held within a short-term deposit account with a 120-day notice period.

28. Pension commitments

On 1 April 2006, a Group Stakeholder scheme based on individual contracts was put in place. The contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme and the cost for the year is shown in Note 6 Employees. The assets are held in the names of individual employees. At 31 March 2021 there was £NIL (2020 - £273) of outstanding pension contributions in respect of this scheme.

29. Related party transactions

Glasgow City Council (GCC) holds 90.87% of the ordinary share capital of the Company and is therefore the ultimate controlling party of the Company as detailed in Note 30. In terms of the Company's Articles of Association, whilst GCC remains as a principal shareholder, four of the Directors of the Company shall be persons selected and appointed by the SEC Board as representatives of the principal shareholder.

Scottish Event Campus Limited through Scottish Conference Centre Limited has entered into a contract with GCC for the operation and management of the conference centre. The agreement runs until 19 April 2047.

29. Related party transactions (continued)

Scottish Event Campus Limited entered an agreement with City Parking (Glasgow) LLP, a wholly owned subsidiary of GCC, in respect of the multi storey car park. The campus development will provide two hotels on site. Until the first hotel is opened the Company will for a period of up to 10 years pay an annual contribution to City Parking (Glasgow) LLP in respect of a contribution towards their rental payable on the car park lease. As a consequence, £174,695 has been provided in these accounts, reflecting the estimated outflow to City Parking (Glasgow) LLP.

The Company entered into a sale and leaseback arrangement with Glasgow City Council during 2013 with a transaction value of £40m. Whilst the sale and leaseback arrangement has been implemented it is considered that the risks and rewards of the land and buildings still sit with the Company in the longer term and so the arrangement is classified as a sale and finance leaseback and the receipt will be shown as a long term creditor which will ultimately be repaid through the disposal of the west development site, at which time the occupational lease will convert to a long ground lease. The assets that form part of the sale and leaseback transaction remain on Scottish Event Campus Limited's books with no change to their carrying value.

Key Management Personnel - All Directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration in respect of these individuals is £1,344,827 (2020 - £1,537,852).

30. Controlling party

The ultimate controlling party of Scottish Event Campus Limited is Glasgow City Council, whose principal offices are at the City Chambers, George Square, Glasgow, G2 1DU.

Scottish Event Campus Limited (the Group) consists of all subsidiaries listed in Note 31.

The results of the Group are consolidated into the Glasgow City Council financial statements which are available from the principal offices.

31. Subsidiary undertakings

The following were subsidiary undertakings of the Group:

Name	*Holding*	*Country of Incorporation*	*Share Capital*	*Principal Activity*
QD Events Ltd	100%	Scotland	Ordinary	Event Organiser
Scottish Conference Centre Ltd	100%	Scotland	Ordinary	Venue Management
SEC Project Management Ltd	100%	Scotland	Ordinary	Management of Large Capital Projects
Scottish Exhibition & Conference Centre Ltd	100%	Scotland	Ordinary	Dormant
Associate Events and Exhibition Ltd	100%	Scotland	Ordinary	Dormant
Scottish Exhibition Centre Ltd	100%	Scotland	Ordinary	Dormant
Glasgow Box Office Ltd	100%	Scotland	Ordinary	Dormant
SEC Exhibitions Ltd	100%	Scotland	Ordinary	Dormant
SFN Expo Ltd *	100%	Scotland	Ordinary	Show Organiser

** Owned via QD Events Ltd*

The registered office of the subsidiary undertakings noted above is Scottish Event Campus, Glasgow, G3 8YW.

For the year ended 31 March 2021 Scottish Conference Centre Limited, SC090711, QD Events Ltd, SC241462 and SFN Expo Limited, SC459534 were entitled to exemption from audit under section 479A of the Companies Act 2006. The parent companies have provided a guarantee over any liabilities at the end of the financial year.

For the year ended 31 March 2021 Scottish Exhibition & Conference Centre Ltd, SC160699, Associate Events and Exhibition Ltd, SC093013, Scottish Exhibition Centre Ltd, SC259983, Glasgow Box Office Ltd, SC201916 and SEC Exhibitions Ltd, SC130717 were dormant and exempt from preparing individual accounts by virtue of section 394a of Companies Act 2006.