

# Consolidated Financial Statements Stephens and George Limited

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For the Year Ended 31 March 2017

Registered number: 00411176

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## Company Information

**Directors**

A L G Jones  
D J Debattista  
N A Pressling  
S Davies  
V A Jones

**Company secretary**

C Mathias

**Registered number**

00411176

**Registered office**

Goat Mill Road  
Dowlais  
Merthyr Tydfil  
CF48 3TD

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
11/13 Penhill Road  
Cardiff  
South Glamorgan  
CF11 9UP

**Solicitors**

Weightmans LLP  
Pall Mall Court  
61-67 King Street  
Manchester  
M2 4PD

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# **Group Strategic Report**

**For the Year Ended 31 March 2017**

## **Introduction**

The Directors present their Strategic Report for the year.

## **Business review**

The acquisition of The Enfield Printing Company Limited part way through the year and its subsequent absorption in to the Stephens and George Group proved successful with minimal disruption to customer service and ongoing trade.

Turnover consequently rose by 14.3% year on year with gross profit margin also rising by 1.4% in that period as increased print passed through the plant in Merthyr Tydfil, which successfully absorbed the additional work.

The increase in Operating Profit over this period was encouraging and contributed to further improvements in the strength of the Balance Sheet and the businesses cash generating capabilities.

This continues to provide the means by which the business is able to invest in new equipment and continue to seek out other strategic acquisitions, both always undertaken with the long term future of the business firmly in mind.

## **Principal risks and uncertainties**

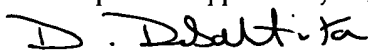
The group operates in highly competitive markets, which is continuing risk to the business. The group manages risk by delivering quality products in fast turnarounds and by maintaining strong relationships with its customers through high levels of customer service.

Investment in capital equipment, information systems and personnel will continue at high levels to enable the company to maintain its competitive advantage into the future.

## **Financial key performance indicators**

The financial key performance indicators are turnover and gross profit percentage referenced above.

This report was approved by the board on **18 December 2017** and signed on its behalf.



**D J Debattista**  
Director

# Directors' Report

For the Year Ended 31 March 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

## **Directors' responsibilities statement**

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;
- 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 to 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.

## **Results and dividends**

The profit for the year, after taxation, amounted to £1,036,219 (2016 - £101,092).

No ordinary dividends were declared or paid during the year (2016 - £Nil).

## **Directors**

The directors who served during the year were:

A L G Jones  
D J Debattista  
N A Pressling  
S Davies  
V A Jones

## **Future developments**

Despite tough trading conditions within the group's markets, the directors are satisfied with the performance of the company for the financial year and consider its future prospects to be favourable. In order to maintain its competitive position for the future, wherever it is deemed necessary or advantageous, the business will continue with its policy of investing in its people, technology and plant and machinery.

## **Directors' Report (continued)**

**For the Year Ended 31 March 2017**

### **Financial instruments**

The Directors have reviewed the financial risk management objectives and policies of the group. The directors do not believe there to be significant risks in this area. The group does not enter into any hedging instruments, as there are not believed to be any material exposures. The group does not enter into any financial instruments for speculative purposes.

Appropriate terms are negotiated with suppliers and customers. Management reviews these terms and the relationships with suppliers and customers and manages any exposure on normal trade terms. The group prepares regular forecasts of cash flow and liquidity and any requirement for additional funding is managed as part of the overall Stephens and George Limited group financing arrangements.

### **Disclosure of information to auditor**

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 auditor is 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 auditor is aware of that information.

### **Post balance sheet events**

There have been no significant events affecting the Group since the year end.

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on **18 December 2017** and signed on its behalf.



**DJ Debattista**  
Director

## Independent Auditor's Report to the Shareholders of Stephens and George Limited

We have audited the financial statements of Stephens and George Limited for the year ended 31 March 2017, set out on pages 6 to 37. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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.

### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Financial Reporting Council'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 Group's and the parent 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 Group Strategic Report and the Directors' 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 Group's and the parent Company's affairs as at 31 March 2017 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



## Independent Auditor's Report to the Shareholders of Stephens and George Limited (continued)

### **Opinion on other matter 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 those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and the Directors' Report.

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

A handwritten signature in black ink, appearing to read "Rhian Owen UK LLP".

Rhian Owen (Senior Statutory Auditor)  
for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants

Statutory Auditor

Cardiff

Date: 18 December 2017



# Consolidated Statement of Comprehensive Income

For the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover	4	28,764,829	25,157,513
Cost of sales		(18,746,314)	(16,763,764)
<b>Gross profit</b>		<b>10,018,515</b>	<b>8,393,749</b>
Distribution costs		(361,223)	(243,963)
Administrative expenses		(8,112,746)	(7,258,983)
Exceptional administrative expenses		-	(523,217)
<b>Operating profit</b>	5	<b>1,544,546</b>	<b>367,586</b>
Interest receivable and similar income	9	71,173	76,820
Interest payable and expenses	10	(245,340)	(229,342)
<b>Profit before taxation</b>		<b>1,370,379</b>	<b>215,064</b>
Tax on profit	11	(334,160)	(113,972)
<b>Profit for the financial year</b>		<b>1,036,219</b>	<b>101,092</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent Company		1,036,219	101,092
		<b>1,036,219</b>	<b>101,092</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2017 (2016: £NIL).

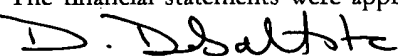
The notes on pages 12 to 37 form part of these financial statements.

## Consolidated Balance Sheet

As at 31 March 2017

	Note	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Intangible assets	13		1,054,674		299,705
Tangible assets	15		16,113,092		15,671,573
Investments	16		60,000		60,000
			<u>17,227,766</u>		<u>16,031,278</u>
<b>Current assets</b>					
Stocks	17	685,163		764,914	
Debtors	18	7,519,852		6,497,496	
Cash at bank and in hand	19	3,026,542		1,675,166	
		<u>11,231,557</u>		<u>8,937,576</u>	
Creditors: amounts falling due within one year	20	(8,063,764)		(6,002,722)	
<b>Net current assets</b>			<u>3,167,793</u>		<u>2,934,854</u>
<b>Total assets less current liabilities</b>			<u>20,395,559</u>		<u>18,966,132</u>
Creditors: amounts falling due after more than one year	21		(8,731,549)		(8,281,042)
<b>Provisions for liabilities</b>					
Deferred taxation	25	(534,593)		(591,892)	
			<u>(534,593)</u>		<u>(591,892)</u>
<b>Net assets</b>			<u><u>11,129,417</u></u>		<u><u>10,093,198</u></u>
<b>Capital and reserves</b>					
Called up share capital	26		48,300		48,300
Capital redemption reserve	27		40,100		40,100
Profit and loss account	27		11,038,800		10,002,581
<b>Equity attributable to owners of the parent Company</b>			<u>11,127,200</u>		<u>10,090,981</u>
Non-controlling interests			2,217		2,217
			<u><u>11,129,417</u></u>		<u><u>10,093,198</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



18 December 2017

D J Debattista  
Director

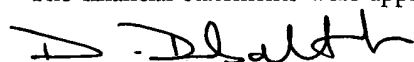
The notes on pages 12 to 37 form part of these financial statements.

## Company Balance Sheet

As at 31 March 2017

	Note	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Intangible assets	13		282,971		299,705
Tangible assets	15		16,060,887		15,671,573
Investments	16		582,467		60,467
			<u>16,926,325</u>		<u>16,031,745</u>
<b>Current assets</b>					
Stocks	17	685,163		764,914	
Debtors	18	7,571,787		6,497,496	
Cash at bank and in hand	19	2,944,899		1,675,166	
		<u>11,201,849</u>		<u>8,937,576</u>	
Creditors: amounts falling due within one year	20	(7,861,207)		(6,011,280)	
<b>Net current assets</b>			<u>3,340,642</u>		<u>2,926,296</u>
<b>Total assets less current liabilities</b>			<u>20,266,967</u>		<u>18,958,041</u>
Creditors: amounts falling due after more than one year	21		(8,171,170)		(8,281,042)
<b>Provisions for liabilities</b>					
Deferred taxation	25	(534,593)		(591,892)	
			<u>(534,593)</u>		<u>(591,892)</u>
<b>Net assets</b>			<u>11,561,204</u>		<u>10,085,107</u>
<b>Capital and reserves</b>					
Called up share capital	26		48,300		48,300
Capital redemption reserve	27		40,100		40,100
Profit and loss account brought forward		9,996,707		9,895,615	
Profit for the year		<u>1,476,097</u>		<u>101,092</u>	
Profit and loss account carried forward			<u>11,472,804</u>		<u>9,996,707</u>
			<u>11,561,204</u>		<u>10,085,107</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



18 December 2017

**D J Debattista**  
Director

The notes on pages 12 to 37 form part of these financial statements.

## Consolidated Statement of Changes in Equity

For the Year Ended 31 March 2017

	Called up share capital	Capital redemption reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£
At 1 April 2015	48,300	40,100	9,901,489	9,989,889	2,217	9,992,106
Profit for the year	-	-	101,092	101,092	-	101,092
At 1 April 2016	48,300	40,100	10,002,581	10,090,981	2,217	10,093,198
Profit for the year	-	-	1,036,219	1,036,219	-	1,036,219
At 31 March 2017	48,300	40,100	11,038,800	11,127,200	2,217	11,129,417

# Company Statement of Changes in Equity

For the Year Ended 31 March 2017

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2015	48,300	40,100	9,895,615	9,984,015
Profit for the year	-	-	101,092	101,092
At 1 April 2016	48,300	40,100	9,996,707	10,085,107
Profit for the year	-	-	1,476,097	1,476,097
At 31 March 2017	48,300	40,100	11,472,804	11,561,204

# Consolidated Statement of Cash Flows

For the Year Ended 31 March 2017

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,036,219	101,092
<b>Adjustments for:</b>		
Amortisation of intangible assets	174,291	16,734
Depreciation of tangible assets	2,910,409	2,714,347
Profit on disposal of tangible assets	(421,598)	(51,324)
Interest paid	245,350	229,342
Interest received	(71,173)	(76,820)
Taxation charge	334,160	113,972
Decrease in stocks	79,751	70,745
(Increase)/decrease in debtors	(1,022,356)	233,730
Increase/(decrease) in creditors	1,531,449	(835,380)
Corporation tax (paid)	(200,043)	(322,148)
<b>Net cash generated from operating activities</b>	<b>4,596,459</b>	<b>2,194,290</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(2,104,613)	(1,484,722)
Sale of tangible fixed assets	2,108,296	1,112,801
Purchase of unlisted and other investments	(449,176)	-
Interest received	71,173	76,820
HP interest paid	(210,005)	(206,877)
<b>Net cash from investing activities</b>	<b>(584,325)</b>	<b>(501,978)</b>
<b>Cash flows from financing activities</b>		
Additional/(repayment of) loans	139,773	(239,822)
Repayment of/new finance leases	(2,765,196)	(1,920,729)
Interest paid	(35,335)	(22,465)
<b>Net cash used in financing activities</b>	<b>(2,660,758)</b>	<b>(2,183,016)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,351,376</b>	<b>(490,704)</b>
Cash and cash equivalents at beginning of year	1,675,166	2,165,870
Cash at bank and in hand at end of year	3,026,542	1,675,166

The notes on pages 12 to 37 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 1. General information

Stephens and George Limited is a private company limited by shares and incorporated in England and Wales. The registered office is shown on the Company Information page.

The company's principal activity is that of printing and finishing.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own 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 Balance Sheet, 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.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2014.

### 2.3 Revenue

Turnover comprises amounts derived from ordinary activities, after trade discounts and excluding value added tax, in respect of the sale of goods and services to customers. Revenue is recognised on despatch of goods.

The directors do not consider that segmental disclosures are required as it is considered that the group has one class of business that provides a group of related products, all of which are sold within the United Kingdom.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Accounting policies (continued)

### 2.4 Intangible assets

#### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

#### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Titles	-	20 years straight line
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# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Accounting policies (continued)

### 2.5 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.

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:

Freehold property	- 2% straight-line
Leasehold land and buildings	- Term of the lease
Plant and machinery	- 10% - 33% straight-line
Motor vehicles	- 25% - 33% straight-line
Fixtures and fittings	- 25% - 33% straight-line

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.

### 2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

### 2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Investments held as fixed assets are shown at cost less accumulated impairment.

### 2.8 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Accounting policies (continued)

### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### 2.11 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Accounting policies (continued)

### 2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.13 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.

### 2.14 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is GBP.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

### 2.15 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## **2. Accounting policies (continued)**

### **2.16 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 company. 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.

### **2.17 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 Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

### **2.18 Interest income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

### **2.19 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 Balance Sheet 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 Balance Sheet.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Accounting policies (continued)

### 2.20 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 balance sheet 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 Balance Sheet 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 balance sheet date.

## Notes to the Financial Statements

For the Year Ended 31 March 2017

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements. The key areas are summarised below:

#### Depreciation

Management exercise judgement to determine useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated useful lives.

#### Amortisation

Management exercise judgement to determine useful lives of intangible fixed assets. The assets are amortised over their estimated useful life.

#### Provisions

A provision has been calculated for trade debtors and stock. The provisions are estimates of balances that may not be collected/recovered. The actual costs and timing of future cash flows are dependant on future events. The difference between the provision and the actual future liability will be accounted for in the period when such determination is made.

#### Allocation of labour to stock

Management allocate labour cost into the valuation of stock using labour rates. Labour rates have been calculated using mock production runs as an estimate of actual production.

### 4. Turnover

The whole of the turnover is attributable to printing and finishing.

All turnover arose within the United Kingdom.

### 5. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	2,836,674	2,714,347
Amortisation of intangible assets, including goodwill	174,291	16,734
Exchange differences	(2,463)	(156)

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	23,800	20,500
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Other services	5,500	7,000

## 7. Employees

Staff costs were as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Wages and salaries	7,230,656	6,253,885	6,503,296	6,253,885
Social security costs	687,240	645,914	641,373	645,914
Cost of defined contribution scheme	180,491	189,196	180,491	189,196
	<u>8,098,387</u>	<u>7,088,995</u>	<u>7,325,160</u>	<u>7,088,995</u>

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

	2017 No.	2016 No.
Management	9	5
Production and sales	170	150
Administration	66	54
	<u>245</u>	<u>209</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	672,339	604,925
Company contributions to defined contribution pension schemes	33,144	22,394
	<u>705,483</u>	<u>627,319</u>

The highest paid director received remuneration of £271,363 (2016 - £185,249).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2016 - £NIL).

## 9. Interest receivable

	2017 £	2016 £
Other interest receivable	71,173	76,820
	<u>71,173</u>	<u>76,820</u>

## 10. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	31,988	22,465
Finance leases and hire purchase contracts	210,005	206,877
Other interest payable	3,347	-
	<u>245,340</u>	<u>229,342</u>



# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 11. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	411,000	236,653
Adjustments in respect of previous periods	(3,654)	(3,758)
	<u>407,346</u>	<u>232,895</u>
<b>Total current tax</b>	<u>407,346</u>	<u>232,895</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(73,186)	(118,923)
<b>Total deferred tax</b>	<u>(73,186)</u>	<u>(118,923)</u>
<b>Taxation on profit on ordinary activities</b>	<u>334,160</u>	<u>113,972</u>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>1,370,379</u>	<u>215,064</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	274,076	43,013
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	47,736	119,468
Non-qualifying depreciation	18,563	18,162
Change in deferred tax rate	11,940	(62,913)
Adjustments to tax charge in respect of prior periods	(33,359)	(3,758)
Deferred tax not provided	10,774	-
Other tax differences	4,430	-
<b>Total tax charge for the year</b>	<u>334,160</u>	<u>113,972</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 12. Impairment of amounts owed by related parties

	2017 £	2016 £
Provision for amounts due from related parties	-	523,217
	<u>-</u>	<u>523,217</u>

## 13. Intangible assets

### Group

	Titles £	Goodwill £	Total £
<b>Cost</b>			
At 1 April 2016	334,673	-	334,673
Additions	-	929,260	929,260
At 31 March 2017	<u>334,673</u>	<u>929,260</u>	<u>1,263,933</u>
<b>Amortisation</b>			
At 1 April 2016	34,968	-	34,968
Charge for the year	16,734	157,557	174,291
At 31 March 2017	<u>51,702</u>	<u>157,557</u>	<u>209,259</u>
<b>Net book value</b>			
At 31 March 2017	<u>282,971</u>	<u>771,703</u>	<u>1,054,674</u>
At 31 March 2016	<u>299,705</u>	<u>-</u>	<u>299,705</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 13. Intangible assets (continued)

Company

	Titles £
<b>Cost</b>	
At 1 April 2016	334,673
At 31 March 2017	<u>334,673</u>
<b>Amortisation</b>	
At 1 April 2016	34,968
Charge for the year	16,734
At 31 March 2017	<u>51,702</u>
<b>Net book value</b>	
At 31 March 2017	<u><u>282,971</u></u>
At 31 March 2016	<u><u>299,705</u></u>

## 14. 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 £1,476,097 (2016 - £101,092).

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 15. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>						
At 1 April 2016	4,661,694	414,280	23,466,318	850,773	372,598	29,765,663
Additions	365,761	-	4,498,023	170,669	4,173	5,038,626
Disposals	-	(414,280)	(4,095,909)	(322,598)	-	(4,832,787)
At 31 March 2017	5,027,455	-	23,868,432	698,844	376,771	29,971,502
<b>Depreciation</b>						
At 1 April 2016	1,583,567	62,109	11,587,265	488,551	372,598	14,094,090
Charge for the year on owned assets	96,201	1,615	352,829	109,163	313	560,121
Charge for the year on financed assets	-	-	2,288,478	61,810	-	2,350,288
Disposals	-	(63,724)	(2,803,439)	(278,926)	-	(3,146,089)
At 31 March 2017	1,679,768	-	11,425,133	380,598	372,911	13,858,410
<b>Net book value</b>						
At 31 March 2017	3,347,687	-	12,443,299	318,246	3,860	16,113,092
At 31 March 2016	3,078,127	352,171	11,879,053	362,222	-	15,671,573

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	7,496,851	11,166,855
Motor vehicles	304,828	286,050
	<u>7,801,679</u>	<u>11,452,905</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 15. Tangible fixed assets (continued)

### Company

	Freehold property £	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>						
At 1 April 2016	4,661,694	414,280	23,466,318	850,773	372,598	29,765,663
Additions	365,761	-	3,721,637	146,502	4,173	4,238,073
Disposals	-	(414,280)	(3,298,520)	(322,598)	-	(4,035,398)
At 31 March 2017	5,027,455	-	23,889,435	674,677	376,771	29,968,338
<b>Depreciation</b>						
At 1 April 2016	1,583,567	62,109	11,587,265	488,551	372,598	14,094,090
Charge for the year on owned assets	96,201	1,615	336,139	105,365	313	539,633
Charge for the year on financed assets	-	-	2,226,886	58,012	-	2,284,898
Disposals	-	(63,724)	(2,668,520)	(278,926)	-	(3,011,170)
At 31 March 2017	1,679,768	-	11,481,770	373,002	372,911	13,907,451
<b>Net book value</b>						
At 31 March 2017	3,347,687	-	12,407,665	301,675	3,860	16,060,887
At 31 March 2016	3,078,127	352,171	11,879,053	362,222	-	15,671,573

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 16. Fixed asset investments

Group

	Other fixed asset investments £
<b>Cost or valuation</b>	
At 1 April 2016	60,000
At 31 March 2017	<u>60,000</u>
<b>Net book value</b>	
At 31 March 2017	<u><u>60,000</u></u>
At 31 March 2016	<u><u>60,000</u></u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 16. Fixed asset investments (continued)

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Stephens and George Magazines Limited	Ordinary	100 %	Dormant
Woodforce Limited	Ordinary	100 %	Dormant
Stephens and George Commercial Limited	Ordinary	100 %	Dormant
DRH Business Systems Limited	Ordinary	75 %	Dormant
Foxgate Limited	Ordinary	100 %	Dormant
The Enfield Printing Company Limited	Ordinary	100 %	Magazine printers

The Enfield Printing Company Limited was acquired on 11 July 2016.

### Company

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
<b>Cost or valuation</b>			
At 1 April 2016	467	60,000	60,467
Additions	522,000	-	522,000
At 31 March 2017	<u>522,467</u>	<u>60,000</u>	<u>582,467</u>
<b>Net book value</b>			
At 31 March 2017	<u>522,467</u>	<u>60,000</u>	<u>582,467</u>
At 31 March 2016	<u>467</u>	<u>60,000</u>	<u>60,467</u>

## 17. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Raw materials and consumables	536,109	589,514	536,109	589,514
Work in progress	149,054	175,400	149,054	175,400
	<u>685,163</u>	<u>764,914</u>	<u>685,163</u>	<u>764,914</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 18. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
<b>Due after more than one year</b>				
Amounts owed by related parties	1,886,667	1,515,726	1,886,667	1,515,726
	<u>1,886,667</u>	<u>1,515,726</u>	<u>1,886,667</u>	<u>1,515,726</u>
<b>Due within one year</b>				
Trade debtors	4,067,465	3,614,299	3,457,945	3,614,299
Amounts owed by related parties	851,987	614,256	1,551,343	614,256
Other debtors	394,270	293,232	387,311	293,232
Prepayments and accrued income	319,463	459,983	288,521	459,983
	<u>7,519,852</u>	<u>6,497,496</u>	<u>7,571,787</u>	<u>6,497,496</u>

## 19. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	3,026,542	1,675,166	2,944,899	1,675,166
	<u>3,026,542</u>	<u>1,675,166</u>	<u>2,944,899</u>	<u>1,675,166</u>



# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 20. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	269,107	224,819	215,451	224,819
Trade creditors	3,252,491	2,098,586	3,240,479	2,098,586
Amounts owed to group undertakings	-	-	8,558	8,558
Amounts owed to related parties	36,906	-	36,906	-
Corporation tax	410,693	200,043	410,693	200,043
Other taxation and social security	192,493	156,022	176,512	156,022
Obligations under finance lease and hire purchase contracts	2,407,751	2,139,393	2,397,135	2,139,393
Other creditors	130,740	76,846	25,955	76,846
Accruals and deferred income	1,363,583	1,107,013	1,349,518	1,107,013
	<u>8,063,764</u>	<u>6,002,722</u>	<u>7,861,207</u>	<u>6,011,280</u>

The bank loans are secured by fixed and floating charges on the assets of the company.

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

## 21. Creditors: Amounts falling due after more than one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	579,157	483,673	269,313	483,673
Net obligations under finance leases and hire purchase contracts	7,681,766	7,571,302	7,681,766	7,571,302
Other creditors	250,535	-	-	-
Accruals and deferred income	220,091	226,067	220,091	226,067
	<u>8,731,549</u>	<u>8,281,042</u>	<u>8,171,170</u>	<u>8,281,042</u>

The bank loans are secured by fixed and floating charges on the assets of the company.

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 22. Loans

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
<b>Amounts falling due within one year</b>				
Bank loans	269,107	224,819	215,451	224,819
	<u>269,107</u>	<u>224,819</u>	<u>215,451</u>	<u>224,819</u>
<b>Amounts falling due 1-2 years</b>				
Bank loans	267,850	215,451	215,450	215,451
	<u>267,850</u>	<u>215,451</u>	<u>215,450</u>	<u>215,451</u>
<b>Amounts falling due 2-5 years</b>				
Bank loans	285,107	268,222	53,863	268,222
	<u>285,107</u>	<u>268,222</u>	<u>53,863</u>	<u>268,222</u>
<b>Amounts falling due after more than 5 years</b>				
Bank loans	26,200	-	-	-
	<u>848,264</u>	<u>708,492</u>	<u>484,764</u>	<u>708,492</u>

## 23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Within one year	2,407,751	2,139,393	2,397,135	2,139,393
Between 1-2 years	2,366,134	1,892,901	2,366,134	1,892,901
Between 2-5 years	5,315,632	4,709,018	5,315,632	4,709,018
Over 5 years	-	969,383	-	969,383
	<u>10,089,517</u>	<u>9,710,695</u>	<u>10,078,901</u>	<u>9,710,695</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 24. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
<b>Financial assets</b>				
Financial assets measured at amortised cost	9,832,661	7,712,678	9,840,854	7,712,678
	<u>9,832,661</u>	<u>7,712,678</u>	<u>9,840,854</u>	<u>7,712,678</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(15,972,036)	(13,701,632)	(15,225,081)	(13,710,189)
	<u>(15,972,036)</u>	<u>(13,701,632)</u>	<u>(15,225,081)</u>	<u>(13,710,189)</u>

Financial assets measured at amortised cost include trade debtors, related party debtors and cash.

Financial liabilities measured at amortised cost include trade creditors, directors loans, related party creditors, hire purchase creditors, loans and accruals.

## 25. Deferred taxation

Group

	2017 £
At beginning of year	(591,892)
Charged to profit or loss	57,299
<b>At end of year</b>	<u>(534,593)</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 25. Deferred taxation (continued)

Company

	2017 £
At beginning of year	(591,892)
Charged to profit or loss	57,299
<b>At end of year</b>	<b>(534,593)</b>

The provision for deferred taxation is made up as follows:

	Group 2017 £	Company 2017 £
Accelerated capital allowances	(572,009)	(572,009)
Other	37,416	37,416
	<b>(534,593)</b>	<b>(534,593)</b>

## 26. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
48,300 Ordinary shares of £1 each	48,300	48,300

## 27. Reserves

### Capital redemption reserve

The capital redemption reserve is a non-distributable reserve which represents paid up share capital.

### Profit and loss account

The profit and loss account includes all current and prior periods retained profits and losses.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 28. Business combinations

Acquisition of The Enfield Printing Company Limited

	Book value £	Fair value adjustment £	Fair value £
Tangible assets	709,571	59,229	768,800
Intangible assets	263,118	780	263,898
	<u>972,689</u>	<u>60,009</u>	<u>1,032,698</u>
Stocks	97,075	(97,075)	-
Debtors	623,482	(6,612)	616,870
Cash at bank and in hand	72,824	-	72,824
<b>Total assets</b>	<u>1,766,070</u>	<u>(43,678)</u>	<u>1,722,392</u>
Due within one year	(1,850,844)	977	(1,849,867)
Deferred tax on differences between fair value and tax bases	-	(15,887)	(15,887)
<b>Fair value of net assets</b>	<u>(84,774)</u>	<u>(58,588)</u>	<u>(143,362)</u>
Goodwill	606,774	58,588	665,362
<b>Total purchase consideration</b>	<u>522,000</u>	<u>-</u>	<u>522,000</u>
Purchase consideration settled in cash, as above	(522,000)	-	(522,000)
Cash and cash equivalents in subsidiary acquired	72,824	-	72,824
<b>Cash outflow on acquisition</b>	<u>(449,176)</u>	<u>-</u>	<u>(449,176)</u>

The results of The Enfield Printing Company Limited since its acquisition are as follows:

	Current period since acquisition £
Turnover	3,860,813
Cost of sales	(3,814,056)
Administration expenditure	(463,325)
Interest payable	(17,053)
<b>Loss for period since acquisition</b>	<u>(433,621)</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 29. Capital commitments

At 31 March 2017 the Group and Company had capital commitments as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Contracted for but not provided in these financial statements	1,558,500	2,240,000	1,558,500	2,240,000
	<u>1,558,500</u>	<u>2,240,000</u>	<u>1,558,500</u>	<u>2,240,000</u>

## 30. Pension commitments

The company operates a defined contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions totalling £21,027 (2016- £19,801) were payable to the fund at the balance sheet date and are included in creditors.

## 31. Commitments under operating leases

At 31 March 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Not later than 1 year	65,937	60,060	65,937	60,060
Later than 1 year and not later than 5 years	106,170	113,711	106,170	113,711
Later than 5 years	324	-	324	-
	<u>172,431</u>	<u>173,771</u>	<u>172,431</u>	<u>173,771</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 32. Related party transactions

### **Ignition Sports Media Limited (formerly O-Publishing & Media Limited)**

During the year, the company received income from sales made to Ignition Sports Media Limited, a company related by common control, being 76% owned by Pennar Holdings Limited which in turn is jointly controlled by A L G Jones and V A Jones, to the value of £1,207,822 (2016 - £1,366,370), with amounts outstanding as at 31 March 2017 of £371,932 (2016 - £386,331).

During the year, the company incurred expenditure of £2,700 (2016 - £2,800) with Ignition Sports Media Limited (formerly O-Publishing & Media Limited) during the financial year, with amounts outstanding as at 31 March 2017 of £NIL (2016 - £960).

The company made a secured loan to Ignition Sports Media Limited (formerly O-Publishing & Media Limited) in the year ended 31 March 2014 which was amended in the year ended 31 March 2017, with amounts outstanding at 31 March 2017 of £2,060,447 (2016 - £1,415,726).

### **The Handwork Finishing Company LLP**

During the year, the company purchased hand work and finishing services from The Handwork Finishing Company LLP (THFC) a Limited Liability Partnership owned by A L G Jones, D J Debattista and Mrs V A Jones, to the value of £614,925 (2016 - £454,401). As at 31 March 2017, the company was owed £1,667 (2016 - £3,333) by THFC.

During the year, the company received income from sales made to The Handwork Finishing Company LLP (THFC) a Limited Liability Partnership owned by A L G Jones, D J Debattista and Mrs V A Jones, to the value of £18,200 (2016 - £NIL).

At 31 March 2017, THFC were owed an amount of £38,571. At 31 March 2016, THFC owed the company an amount of £10,457.

### **Caric Press Limited**

During the year, the company received income from sales made to Caric Press Limited, a company owned by Pennar Holdings Limited, of £254,895 (2016 - £292,989), with amounts outstanding as at 31 March 2017 of £47,886 (2016 - £55,828).

At 31 March 2017 Caric Press Limited owed an amount in respect of a loan of £47 (2016 - £NIL).

### **Pennar Properties Limited**

During the year, the company incurred expenditure of £4,132 (2016 - £35,952) with Pennar Properties Limited, a company which A L G Jones and Mrs V A Jones are both directors and shareholders.

The company has also made a secured loan to Pennar Properties Limited with amounts outstanding as at 31 March 2017 of £84,184 (2016 - £92,937).

### **Good Things Media & Publishing Limited**

The company received income in the year from sales to Good Things Media & Publishing Limited (GTM), a company for which Mrs V A Jones is a director, of £14,434 (2016 - £Nil), with amounts outstanding as at 31 March 2017 of £47,765 (2016 - £nil).

The company owes Good Things Media & Publishing Limited at 31 March 2017 an amount of £1,560 (2016 - £NIL).

The company had an unsecured loan to GTM with amounts outstanding as at 31 March 2017 of £1,497 (2016 - £682,501). This balance is no longer deemed recoverable therefore has been provided for in full at the year end (2016 - £682,501 written off).

# Notes to the Financial Statements

**For the Year Ended 31 March 2017**

## **JLD Media Limited**

During the year ended 31 March 2014, the company acquired publishing titles from JLD Media Limited, a publishing company owned 100% by Mrs V A Jones. The consideration due was offset against outstanding debts from JLD Media Limited and a further loan of £300,000 was made on the same date. The amounts outstanding on the loan was £120,000 at 31 March 2017 (2016 - £160,000). This loan was secured against assets of JLD Media Limited.

During the year, the company received income from JLD Media Limited of £NIL (2016- £NIL), with amounts outstanding as at 31 March 2017 of £NIL.

## **Stephens & George Retirement Benefit Scheme**

A L G Jones is a trustee of Stephens & George Retirement Benefit Scheme (SGRBS). SGRBS has made various loans to the company pursuant to purchasing capital equipment. The amount outstanding on these loans at year end was £98,134 (2016 - £123,316).

Under Section 33 of FRS 102, the company is not required to disclose related party transactions with other entities that are wholly owned subsidiaries of Stephens and George Limited.

Key management personnel are the directors.

## **33. Controlling party**

The ultimate controlling party is A L G Jones by virtue of his majority shareholding.