

# **Hali Publications Limited**

(Registered number 1391142)

## **Annual report**

**For the year ended 30 June 2001**



# **Hali Publications Limited**

## **Annual report for the year ended 30 June 2001**

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# **Hali Publications Limited**

## **Company information**

### **Company registration number**

1391142

### **Registered office**

St Giles House  
50 Poland Street  
London  
W1F 7AX

### **Directors**

GV Sherren	(Chairman)
RC Beckett	
FS Ghandchi	
DL Shaffer	
GTD Wilmot	
J Mann Selley	

### **Secretary**

IPH Roberts

### **Bankers**

First Union National Bank  
National Westminster Bank PLC  
Deutsche Bankers Trust

### **Auditors**

PricewaterhouseCoopers  
1 Embankment Place  
London  
WC2N 6RH

# **Hali Publications Limited**

## **Directors' report**

The directors have pleasure in presenting their report and financial statements for the year ended 30 June 2001

### **Principal activities**

The principal activities of the Company during the year were those of publishing and distributing magazines and books. It is intended to continue to develop these activities.

### **Trading results and dividends**

The profit for the financial year is £402,279 (2000: £217,698). The directors do not recommend the payment of a dividend.

### **Directors**

The directors who have served during the year are as follows:

GV Sherren (Chairman)  
RC Beckett  
FS Ghandchi  
DL Shaffer  
GTD Wilmot  
J Mann Selley (Appointed 5 June 2001)

### **Directors' interests**

Messrs GV Sherren and GTD Wilmot are also directors of the ultimate parent undertaking, Centaur Communications Limited, and their interests in the shares of Group undertakings are given in that company's annual report. None of the other directors had any interest in the shares of the Company during the year.

# **Hali Publications Limited**

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of its profit or loss for that year. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

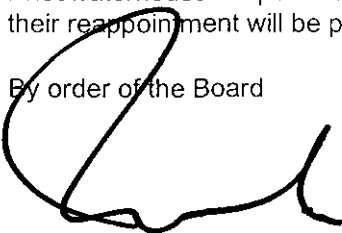
The directors confirm that suitable accounting policies have been used and applied consistently. The directors also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 June 2001 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Auditors**

PricewaterhouseCoopers have indicated their willingness to continue in office, and a resolution for their reappointment will be proposed at the Annual General Meeting.

By order of the Board

A large, stylized handwritten signature in black ink, appearing to be 'IPH Roberts', written over the text 'By order of the Board'.

IPH Roberts  
Secretary

4 December 2001

## **Auditors' report to the members of Hali Publications Limited**

We have audited the financial statements on pages 5 to 14.

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

The directors are responsible for preparing the annual report. As described on page 3, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 30 June 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
Chartered Accountants and Registered Auditors  
London

4 December 2001

# Hali Publications Limited

## Profit and loss account for the year ended 30 June 2001

	Notes	2001 £	2000 £
Turnover	1	1,353,736	1,312,142
Cost of sales		(690,009)	(743,976)
<b>Gross profit</b>		<b>663,727</b>	<b>568,166</b>
Distribution costs		(99,532)	(104,743)
Administrative expenses		(140,890)	(212,511)
<b>Profit on ordinary activities before taxation</b>	2	<b>423,305</b>	<b>250,912</b>
Tax on profit on ordinary activities	4	(21,026)	(33,214)
<b>Retained profit for the financial year</b>	11	<b>402,279</b>	<b>217,698</b>

All turnover and profit arises from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year and their historical cost equivalents.

### Statement of total recognised gains and losses

	2001 £	2000 £
Retained profit for the financial year	402,279	217,698
Total recognised gains relating to the financial year	402,279	217,698
Prior year adjustment	-	(109,152)
<b>Total gains recognised since last financial statements</b>	<b>402,279</b>	<b>108,546</b>

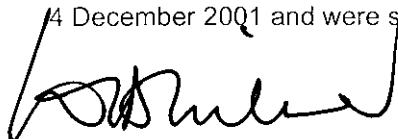
The accounting policies on pages 7 and 8 and notes on pages 9 to 14 form an integral part of these financial statements.

# Hali Publications Limited

## Balance sheet at 30 June 2001

	Notes	2001 £	2000 £
<b>Fixed assets</b>			
Tangible assets	5	106,441	97,595
<b>Current assets</b>			
Stock	6	36,673	18,754
Debtors	7	845,336	973,845
Cash at bank and in hand		920,850	451,382
		1,802,859	1,443,981
<b>Creditors: amounts falling due within one year</b>	8	(960,573)	(1,008,654)
<b>Net current assets</b>		842,286	435,327
<b>Total assets less current liabilities</b>		948,727	532,922
<b>Provisions for liabilities and charges</b>	9	(13,526)	-
		935,201	532,922
<b>Capital and reserves</b>			
Equity share capital		41,031	41,031
Non-equity share capital		127	127
Called up share capital	10	41,158	41,158
Share premium account		383,218	383,218
Profit and loss account	11	510,825	108,546
<b>Total shareholders' funds</b>	12	935,201	532,922
Represented by:			
Equity shareholders' funds		935,074	532,795
Non-equity shareholders' funds		127	127

The financial statements on pages 5 to 14 were approved by the board of directors on 4 December 2001 and were signed on its behalf by:



GTD Wilmot  
Director

The accounting policies on pages 7 and 8 and notes on pages 9 to 14 form an integral part of these financial statements.



# Hali Publications Limited

## Principal accounting policies

### a) Basis of preparation

The financial information has been prepared under the historical cost convention in accordance with applicable accounting standards in the United Kingdom.

### b) Turnover

Turnover represents sales of advertising space, subscriptions and individual publications and revenue from exhibitions and conferences, exclusive of value added tax.

Sales of advertising space are recognised in the period in which publication occurs. Sales of publications are recognised in the period in which the sale is made. Revenue received in advance for exhibitions and conferences is deferred and recognised in the period in which the event takes place.

Subscription revenue is deferred and recognised in the profit and loss account on a straight-line basis over the subscription period.

### c) Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation of tangible assets is provided on a straight-line basis over the following estimated useful lives of the assets:

Leasehold improvements	-	20 years or the length of the lease if shorter
Plant and machinery	-	5 years
Fixtures and fittings	-	10 years
Computer equipment	-	3 – 5 years
Motor vehicles	-	4 years

Depreciation is not provided on the library as the directors are of the opinion that due to the high residual value of the library the annual depreciation charge and accumulated depreciation would be immaterial. Regular impairment reviews are performed to ensure that the net realisable value is greater than the carrying value.

### d) Taxation including deferred tax

Deferred tax is calculated using the liability method. Taxation deferred or accelerated by reason of short-term or other timing differences is accounted for to the extent that it is probable that a liability or asset will crystallise in the future.

### e) Stocks

Stocks are stated at the lower of cost and net realisable value. For raw materials, cost is the purchase price. Work in progress comprises costs incurred relating to the production of publications, exhibitions and conferences prior to the publication date or the date of the event. For goods for resale, cost is the purchase price, or, in the case of publications, direct cost of production.

### f) Pensions

Pension costs charged to the profit and loss account represent the amount of contributions payable to the Centaur Group's defined contribution scheme in respect of the accounting period.

## **Hali Publications Limited**

### **Principal accounting policies** (Continued)

**g) Foreign currencies**

Transactions denominated in foreign currency are translated at exchange rates prevailing at the transaction date. Assets and liabilities are translated at exchange rates prevailing at the year end date. Any gains or losses arising on exchange are reflected in the profit and loss account.

**h) Cash flow statement**

As a wholly owned subsidiary of Centaur Communications Limited, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

# Hali Publications Limited

## Notes to the financial statements

### 1 Segmental reporting

All turnover and operating profit arise from the principal activity of the Company. All net assets are located in the United Kingdom.

An analysis of turnover by market is given below:

	2001 £	2000 £
United Kingdom	231,228	241,171
Overseas	1,122,508	1,070,971
	<hr/> 1,353,736	<hr/> 1,312,142

More detailed segmental information is contained in the financial statements of the ultimate parent undertaking, Centaur Communications Limited.

### 2 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2001 £	2000 £
Staff costs (note 3)	374,369	336,373
Depreciation of tangible assets	5,620	30,214
Auditors' remuneration		
- audit	-	-
- non audit	-	57

The auditors' remuneration has been borne by the ultimate parent undertaking.

### 3 Employees and directors

#### Staff costs

	2001 £	2000 £
Wages and salaries	333,009	306,063
Social security costs	33,560	23,005
Other pension costs	7,800	7,305
	<hr/> 374,369	<hr/> 336,373

# Hali Publications Limited

## Notes to the financial statements

### Employees and directors (continued)

The average monthly number of persons employed by the Company during the year including executive directors was:

	2001 Number	2000 Number
Editorial	5	5
Administration	1	1
Production	2	1
Sales	3	4
	11	11

### Directors' emoluments

	2001 £	2000 £
Aggregate emoluments	119,407	121,693
Pension contributions to money purchase scheme	6,210	5,942
	125,617	127,635

During the year 2 directors (2000: 2) participated in money purchase schemes.

## 4 Tax on profit on ordinary activities

	2001 £	2000 £
Corporation tax at 20% (2000: 31%)		
- current year	7,500	48,956
- adjustment in respect of prior years	-	(15,742)
Deferred tax:		
- current year	6,032	-
- adjustment in respect of prior years	7,494	-
	21,026	33,214

# Hali Publications Limited

## Notes to the financial statements (continued)

### 5 Tangible fixed assets

	Plant and Machinery £	Fixtures and fittings £	Library £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 July 2000	5,016	149,476	82,715	195,374	17,500	450,081
Additions	-	3,749	-	10,717	-	14,466
Disposals	-	-	-	-	(17,500)	(17,500)
At 30 June 2001	5,016	153,225	82,715	206,091	-	447,047
<b>Depreciation</b>						
At 1 July 2000	5,016	134,864	6,022	189,084	17,500	352,486
Charge for the year	-	3,467	-	2,153	-	5,620
Disposals	-	-	-	-	(17,500)	(17,500)
At 30 June 2001	5,016	138,331	6,022	191,237	-	340,606
<b>Net book amount</b>						
At 30 June 2001	-	14,894	76,693	14,854	-	106,441
At 30 June 2000	-	14,612	76,693	6,290	-	97,595

### 6 Stock

	2001 £	2000 £
Work in progress	36,673	12,884
Goods for resale	-	5,870
	36,673	18,754

### 7 Debtors

	2001 £	2000 £
Trade debtors	373,181	501,022
Amounts owed by group undertakings	415,367	451,878
Corporation Tax	31,696	-
Other taxation and social security	1,311	1,311
Other debtors	12,375	11,280
Prepayments and accrued income	11,406	8,354
	845,336	973,845

# Hali Publications Limited

## Notes to the financial statements (continued)

### 8 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	13,472	29,260
Amounts owed to group undertakings	455,321	455,321
Corporation tax payable	-	18,215
Accruals and deferred income	491,780	505,858
	<b>960,573</b>	<b>1,008,654</b>

### 9 Provisions for liabilities and charges

#### Deferred Tax

	£
At 1 July 2000	-
Charge for the year	13,526
<b>At 30 June 2001</b>	<b>13,526</b>

The provision for deferred tax, both provided and unprovided comprises the following amounts:

	2001 £	2000 £
Accelerated capital allowances	13,526	-

# Hali Publications Limited

## Notes to the financial statements (continued)

### 10 Called up share capital

	Ordinary shares of £1 each £	Non- redeemable preference shares of £1 each £	Total £
Authorised at 1 July 2000 and 30 June 2001	99,500	500	100,000
Allotted and fully paid at 1 July 2000 and 30 June 2001	41,031	127	41,158

The non-redeemable preference shares have the following rights:

- i) No voting rights except on the winding up of the Company at which time they have voting rights equivalent to ordinary shares.
- ii) No right to a dividend.
- ii) On the winding up of the Company a right to the payment of £1,810 per share followed by a share of the remaining net assets in proportion to the total number of shares, both ordinary and preference, in issue at that time.

### 11 Profit and loss account

	£
At 1 July 2000	108,546
Retained profit for the financial year	402,279
At 30 June 2001	510,825

### 12 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Retained profit for the financial year and increase in shareholders' funds	402,279	217,698
Opening shareholders' funds	532,922	315,224
Closing shareholders' funds	935,201	532,922

## **Hali Publications Limited**

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

#### **13 Capital commitments**

There were no capital commitments at 30 June 2001 (2000: £Nil).

#### **14 Contingent liabilities**

*The Company has granted a cross guarantee in favour of its bankers in respect of the bank borrowings of the ultimate parent undertaking and of its fellow subsidiary undertakings. The guarantee is secured by fixed and floating charges over the Company's assets.*

#### **15 Related party transactions**

As a wholly owned subsidiary of Centaur Communications Limited, the Company is exempt from the requirements of FRS 8 to disclose transactions with other members of the Group.

#### **16 Ultimate parent undertaking**

The ultimate parent undertaking is Centaur Communications Limited, the parent undertaking of the largest and smallest group to consolidate these financial statements. Copies of the Centaur Communications Limited consolidated financial statements may be obtained from the Company Secretary at St Giles House, 50 Poland Street, London W1F 7AX.