

Hali Publications Limited

(Registered number 1391142)

Annual report

For the year ended 30 June 2004



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Hali Publications Limited

Annual report for the year ended 30 June 2004

	Pages
Company information	1
Directors' report	2 - 3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Principal accounting policies	7 - 8
Notes to the financial statements	9 - 14

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	(Resigned 23 April 2004)
FS Ghandchi	
DL Shaffer	
GTD Wilmot	
J Mann Selley	
R Coates	(Appointed 23 April 2004)

Secretary

IPH Roberts

Bankers

National Westminster Bank PLC

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Hali Publications Limited

Directors' report

The directors have pleasure in presenting their report and financial statements of Hali Publications Limited ("the Company") for the year ended 30 June 2004.

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.

Review of the year

During the year the Company experienced a downturn in its advertising market, which adversely affected its turnover performance. The Company's brands maintained their market positions and the directors consider that the Company is well placed to take advantage of a recovery in the market.

On 10 March 2004, Centaur Holdings plc acquired the entire issued share capital of Centaur Communications Limited. As a result, the Company's ultimate parent company is now Centaur Holdings plc.

Trading results and dividends

The profit for the financial year is £174,471 (2003: £155,283). The directors do not recommend the payment of a dividend (2003: nil).

Future developments

The Company is continually looking at new publishing and online opportunities and expects to launch new products during the coming year.

Directors

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

GV Sherren	(Chairman)
RC Beckett	(Resigned 23 April 2004)
FS Ghandchi	
DL Shaffer	
GTD Wilmot	
J Mann Selley	
R Coates	(Appointed 23 April 2004)

Directors' interests

GV Sherren and GTD Wilmot are also directors of Centaur Holdings plc ("Centaur"), the ultimate parent undertaking as at 30 June 2004, and their interests in the shares of Centaur are given in that Company's annual report.

Hali Publications Limited

Directors' report (continued)

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 2004 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

Pursuant to a shareholders' resolution under section 386 of the Companies Act 1985, the Company is not obliged to re-appoint its auditors annually.

By order of the Board



IPH Roberts
Secretary

Independent auditors' report to the members of Hali Publications Limited

We have audited the financial statements, which comprise the profit and loss account, the balance sheet, the principal accounting policies and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Companies Act 1985. 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.

Basis of audit 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.

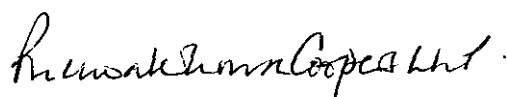
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 the Company's affairs at 30 June 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Information required by Section 234 of the Companies act omitted from the Directors' Report

In our opinion, the information given in the Directors' report does not include disclosures on directors' interests as required by section 234 of the Companies Act. Our opinion is not qualified in this respect.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

28 April 2005

Hali Publications Limited

Profit and loss account for the year ended 30 June 2004

	Notes	2004 £	2003 £
Turnover	1	1,208,013	1,271,606
Cost of sales		(757,511)	(794,903)
Gross profit		450,502	476,703
Distribution costs		(81,575)	(85,664)
Administrative expenses		(199,192)	(177,689)
Operating profit	2	169,735	213,350
Interest payable and similar charges	4	(538)	-
Profit on ordinary activities before taxation		169,197	213,350
Tax credit / (charge) on profit on ordinary activities	5	5,274	(58,067)
Retained profit for the financial year	13	174,471	155,283

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.

The Company has no recognised gains and losses other than the profit for the year.

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 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	6	107,690	115,023
Current assets			
Stock	7	42,968	9,482
Debtors	8	1,646,030	1,716,982
Cash at bank and in hand		212,040	97,510
		1,901,038	1,823,974
Creditors: amounts falling due within one year	9	(561,201)	(661,409)
Net current assets		1,339,837	1,162,565
Total assets less current liabilities		1,447,527	1,277,588
Provisions for liabilities and charges	10	(10,543)	(15,075)
		1,436,984	1,262,513
Capital and reserves			
Equity share capital		41,031	41,031
Non-equity share capital		127	127
Called up share capital	11	41,158	41,158
Share premium account	12	383,218	383,218
Profit and loss account	13	1,012,608	838,137
Total shareholders' funds	14	1,436,984	1,262,513
Represented by:			
Equity shareholders' funds		1,436,857	1,262,386
Non-equity shareholders' funds		127	127

The financial statements on pages 5 to 14 were approved by the board of directors on 28th April 2005 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.

Revenue from subscriptions to publications and online services 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:

Plant and machinery	-	5 years
Fixtures and fittings	-	10 years
Computer equipment	-	3 – 5 years

d) Deferred tax

Deferred tax is recognised in respect of all timing difference that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing difference can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing difference are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Hali Publications Limited

Principal accounting policies (Continued)

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.

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 Holdings plc, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard ("FRS") 1 "Cash Flow Statements" (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:

	2004 £	2003 £
United Kingdom	251,350	210,502
Overseas	956,663	1,061,104
	<hr/> 1,208,013	<hr/> 1,271,606

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

2 Operating profit

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

	2004 £	2003 £
Staff costs (note 3)	409,240	439,552
Depreciation of tangible assets	39,290	20,365
Auditors' remuneration		
- audit	-	-
- non audit	-	-

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

3 Employees and directors

Staff costs

	2004 £	2003 £
Wages and salaries	359,270	391,301
Social security costs	41,995	39,552
Other pension costs	7,975	8,699
	<hr/> 409,240	<hr/> 439,552

Hali Publications Limited

Notes to the financial statements (continued)

3 Employees and directors (continued)

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

	2004 Number	2003 Number
Editorial	5	5
Administration	2	4
Production	2	2
Sales	3	3
	12	14

Directors' emoluments

	2004 £	2003 £
Aggregate emoluments	64,762	61,303
Pension contributions to money purchase scheme	4,329	4,226
	69,091	65,529

During the year one director (2003: one) participated in money purchase schemes.

4 Interest payable and similar charges

	2004 £	2003 £
Interest payable		
	538	-

5 Tax on profit on ordinary activities

	2004 £	2003 £
Corporation tax at 30% (2002:30%)		
- current year	-	64,372
- adjustment in respect of prior years	(742)	(8,585)
Total current tax	(742)	55,787
Deferred tax		
- current year (origination and reversal of timing differences)	(4,532)	367
- adjustment in respect of prior years	-	1,913
Total deferred tax	(4,532)	2,280
Tax (credit) / charge	(5,274)	58,067

Hali Publications Limited

Notes to the financial statements (continued)

5 Tax on profit on ordinary activities (continued)

	2004 £	2003 £
Profit on ordinary activities before tax	169,197	213,350
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 2004: 30% (2003: 30%)	50,759	64,005
Effects of:		
Expenses not deductible for tax purposes	7,352	734
Capital allowances for the period in excess of depreciation	4,532	(367)
Group relief	(62,682)	-
Adjustments to tax charge in respect of previous periods	(742)	(8,585)
Current tax charge / (credit) for the period	(742)	55,787

6 Tangible fixed assets

	Plant and Machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 July 2003	5,016	235,940	255,812	496,768
Additions	-	751	31,216	31,967
Cost of fully written down obsolete assets	(5,016)	(133,589)	(189,575)	(328,180)
At 30 June 2004	-	103,102	97,453	200,555
Depreciation				
At 1 July 2003	5,016	167,834	208,895	381,745
Charge for the year	-	10,368	28,932	39,300
Accumulated depreciation of fully written down obsolete assets	(5,016)	(133,589)	(189,575)	(328,180)
At 30 June 2004	-	44,613	48,252	92,865
Net book amount				
At 30 June 2004	-	58,489	49,201	107,690
At 30 June 2003	-	68,106	46,917	115,023

Hali Publications Limited

Notes to the financial statements (continued)

7 Stock

	2004 £	2003 £
Work in progress	32,923	5,319
Goods for resale	10,045	4,163
	42,968	9,482

8 Debtors

	2004 £	2003 £
Trade debtors	301,946	358,004
Amounts owed by group undertakings	1,337,951	1,357,275
Other debtors	1,878	-
Corporation tax	504	-
Prepayments and accrued income	3,751	1,703
	1,646,030	1,716,982

9 Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	76,005	55,014
Corporation tax payable	-	72,521
Other creditors	-	176
Accruals and deferred income	485,196	533,698
	561,201	661,409

10 Provision for liabilities and charges

The deferred tax provision in the Company represents:

	2004 £	2003 £
Accelerated capital allowances	10,543	15,075
Undiscounted provision for deferred tax	10,543	15,075
		Deferred tax £
Provision at 1 July 2003		15,075
Charge for the year		(4,532)
At 30 June 2004		10,543

Hali Publications Limited

Notes to the financial statements (continued)

11 Called up share capital

	Ordinary shares of £1 each £	Non-redeemable preference shares of £1 each £	Total £
Authorised at 1 July 2003 and 30 June 2004	99,500	500	100,000
Allotted and fully paid at 1 July 2003 and 30 June 2004	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.

12 Share premium account

	2004 £	2003 £
At 30 June 2004	383,218	383,218

13 Profit and loss account

	£
At 1 July 2003	838,137
Retained profit for the financial year	174,471
At 30 June 2004	1,012,608

Hali Publications Limited

Notes to the financial statements (continued)

14 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Retained profit for the financial year	174,471	155,283
Opening shareholders' funds	1,262,513	1,107,230
Closing shareholders' funds	1,436,984	1,262,513

15 Capital commitments

There were no capital commitments at 30 June 2004 (2003: nil).

16 Contingent liabilities

At 30 June 2004, the Company has granted a cross guarantee in favour of its bankers in respect of the bank borrowings of the parent undertaking (Centaur Holdings Plc) and of its fellow subsidiary undertakings. The guarantee is secured by fixed and floating charges over the Company's assets.

17 Pension costs

The Company contributes to individual and collective money purchase pension schemes in respect of employees once they have completed the requisite period of service. The charge for the year in respect of these pension schemes is shown in note 3. Included within other creditors is an amount of nil (2003: nil) payable in respect of the money purchase pension schemes.

18 Related party transactions

As a wholly owned subsidiary of Centaur Holdings Plc, the Company is exempt from the requirements of Financial Reporting Standard ("FRS") 8 to disclose transactions with other members of the Centaur Group.

19 Ultimate parent undertaking

The ultimate controlling party and parent company (as defined in FRS 8) during the period to 9 March 2004 was Centaur Communications a company incorporated in England and Wales. On 10 March 2004 Centaur Communications Limited became a subsidiary of Centaur Holdings plc. Copies of the reports and financial statements of Centaur Holdings plc may be obtained from Centaur Holdings plc, St Giles House, 50 Poland Street, London W1F 7AX. The company has decided to adopt the exemption available to it under FRS 8 not to disclose transactions within the group of which Centaur Holdings plc is the ultimate controlling party.