

Hali Publications Limited

(Registered number 1391142)

**Financial Statements (unaudited)
For the year ended 30 June 2008**

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Hali Publications Limited

Annual report for the year ended 30 June 2008

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Hali Publications Limited

Company information

Company registration number

1391142

Registered office

Studio 30
Liddell Road
London
NW6 2EW

Directors

B R Evans
M D A Franes
F S Ghandchi

Secretary

B R Evans

Bankers

National Westminster Bank PLC

Hali Publications Limited

Directors' report for the year ended 30 June 2008

The directors have pleasure in presenting their report and the unaudited financial statements of Hali Publications Limited ("the Company") for the year ended 30 June 2008.

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.

Ownership of the Company

On 20 July 2007 the entire share capital of the Company was acquired by F S Ghandchi and it ceased to be a subsidiary of Centaur Media PLC.

Trading results and dividends

During the year the Company entered into a deed of forgiveness in respect of loans of £1,712,814 made to companies controlled by Centaur Media PLC.

After this loan waiver, the loss for the financial year was £1,824,195 (2007: £28,384). The directors do not recommend the payment of a dividend (2007: nil).

Directors

The directors who served during the year or have subsequently been appointed were as follows:

F S Ghandchi	
M D A Franes	(Appointed 1 January 2009)
G V Sherren	(Resigned 20 July 2007)
D L Shaffer	(Resigned 20 July 2007)
H Sharman	(Resigned 20 July 2007)
G T D Wilmot	(Resigned 20 July 2007)
B R Evans	(Resigned 20 July 2007 and re-appointed 1 January 2009)
R Coates	(Resigned 20 July 2007)

Small Companies Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by



F S Ghandchi
Director

Approved by the director on 28 April 2009

Hali Publications Limited

Profit and loss account for the year ended 30 June 2008

	Notes	2008 £	2007 £
Turnover	2	972,258	1,037,901
Cost of sales		(685,779)	(773,165)
Gross profit		286,479	264,736
Distribution costs		(114,853)	(100,776)
Administrative expenses		(276,584)	(290,845)
Operating loss	3	(104,958)	(126,885)
Exceptional item	5	(1,712,814)	-
Loss after exceptional item		(1,817,772)	(126,885)
Interest receivable and similar income	6	-	102,376
Interest payable and similar charges	7	(5,055)	(1,583)
Loss on ordinary activities before taxation		(1,822,827)	(26,092)
Tax on loss on ordinary activities	8	(1,368)	(2,292)
Retained loss for the financial year	15	(1,824,195)	(28,384)

All turnover and losses arise from continuing operations.

There is no difference between the losses on ordinary activities before taxation and the losses for the financial years stated above and their historical cost equivalents.

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

The notes on pages 5 to 11 form part of these financial statements

Hali Publications Limited

Balance sheet at 30 June 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible fixed assets	9	131,104	88,257
Current assets			
Stock	10	10,000	27,245
Debtors	11	277,790	1,948,356
Cash at bank and in hand		-	77,424
		287,790	2,053,025
Creditors: amounts falling due within one year	12	(667,478)	(565,671)
Net current assets		(379,688)	1,487,354
Net assets		(248,584)	1,575,611
Capital and reserves			
Equity share capital		41,031	41,031
Non-equity share capital		127	127
Called up share capital	13	41,158	41,158
Share premium account	14	383,218	383,218
Profit and loss account	15	(672,960)	1,151,235
Total shareholders' funds	16	(248,584)	1,575,611
Represented by:			
Equity shareholders' funds		(248,711)	1,575,484
Non-equity shareholders' funds		127	127


The directors are satisfied that the Company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibility for:

- ensuring that the Company keeps accounting records which comply with section 221 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the Company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

These financial statements were approved by the board of directors and authorised for issue on 28 April 2009 and are signed on their behalf by:


F S Ghandchi
Director

The notes on pages 5 to 11 form part of these financial statements

Hali Publications Limited

Notes to the financial statements

1 Accounting policies

a) Basis of accounting

The financial information has been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 events take 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 less depreciation. Depreciation is provided on a straight-line basis over the following estimated useful lives of the assets:

Leasehold improvements	-	over the life of the lease
Fixtures and fittings	-	10 years
Computer equipment	-	3 to 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.

Deferred tax assets are recognised only to the extent that the director considers it is more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the 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 enacted or substantively enacted at the balance sheet date.

e) Stocks

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. Goods for resale comprise books and magazines and are stated at purchase price or, in the case of in-house publications, at direct cost of production.

Hali Publications Limited

Notes to the financial statements

1 Accounting policies (continued)

f) Pensions

Pension costs charged to the profit and loss account represent the amount of contributions payable to the Company'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.

2 Turnover

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

An analysis of turnover by market is given below:

	2008 £	2007 £
United Kingdom	335,363	326,709
Overseas	636,895	711,192
	<hr/> 972,258	<hr/> 1,037,901

3 Operating loss

The operating loss is stated after charging:

	2008 £	2007 £
Staff costs (note 4)	460,298	463,137
Depreciation of tangible fixed assets (note 9)	30,984	23,728
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Hali Publications Limited

Notes to the financial statements

4 Employees and directors

Staff costs

	2008 £	2007 £
Wages and salaries	396,000	408,282
Social security costs	43,000	45,280
Other pension costs	21,298	9,575
	460,298	463,137

The average monthly numbers of people employed by the Company during the year including the executive directors were:

	2008 Number	2007 Number
Editorial	5	5
Administration	3	2
Production	1	1
Sales	3	3
	12	11

Directors' emoluments

	2008 £	2007 £
Aggregate emoluments	86,004	174,517
Pension contributions to money purchase scheme	2,860	8,157
	88,864	182,674

5 Exceptional item

	2008 £	2007 £
Write-off of balances due from Centaur Media group companies by deed of waiver	1,712,814	-
	1,712,814	-

6 Interest receivable and similar income

	2008 £	2007 £
Interest receivable from group companies	-	102,376
	-	102,376

Hali Publications Limited

Notes to the financial statements

7 Interest payable and similar charges

	2008	2007
	£	£
Interest payable on loans from third parties	5,055	-
Interest payable to group companies	-	1,583
	5,055	1,583

8 Tax on loss on ordinary activities

	2008	2007
	£	£
Corporation tax at 29.5% (2007: 30%)		
- current year	-	-
Total current tax	-	-
Deferred tax		
- current year (origination and reversal of timing differences)	-	2,292
- adjustment in respect of prior years	1,368	-
Total deferred tax	-	2,292
Tax (credit) / charge	1,368	2,292
	2008	2007
	£	£
(Loss) on ordinary activities before taxation	(1,822,827)	(26,092)
(Loss) on ordinary activities multiplied by the effective standard rate of corporation tax in the UK for the year of 29.5% (2007: 30%)	(537,734)	(7,828)
Effects of:		
Expenses not deductible for tax purposes	510,232	1,574
Timing differences in respect of capital allowances	79	(2,194)
Group relief	-	8,448
Unrelieved tax losses available for carry forward	27,423	-
Current tax charge / (credit) for the period	-	-

Hali Publications Limited

Notes to the financial statements

9 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 July 2007	-	101,356	136,583	237,939
Additions in the year	38,144	9,465	26,222	73,831
At 30 June 2008	38,144	110,821	162,805	311,770
Depreciation				
At 1 July 2007	-	71,081	78,601	149,682
Charge for the year	1,106	9,210	20,668	30,984
At 30 June 2008	1,106	80,291	99,269	180,666
Net book value				
At 30 June 2008	37,038	30,530	63,536	131,104
At 30 June 2007	-	30,275	57,982	88,257

10 Stock

	2008 £	2007 £
Work in progress	-	19,700
Goods for resale	10,000	7,545
	10,000	27,245

11 Debtors

	2008 £	2007 £
Trade debtors	248,084	255,236
Amounts owed by group undertakings	-	1,679,564
Other debtors	19,161	7,564
Deferred tax asset	-	1,368
Prepayments and accrued income	10,545	4,624
	277,790	1,948,356

Hali Publications Limited

Notes to the financial statements

12 Creditors: amounts falling due within one year

	2008 £	2007 £
Trade creditors	142,597	28,750
Amounts owed to former group companies	-	48,465
Other creditors	20,935	-
Bank overdraft	14,899	-
Third party loan	155,053	-
Accruals and deferred income	333,994	488,456
	667,478	565,671

The third party loan bears interest at bank base rate and is repayable on demand within five years.

13 Called up share capital

	Ordinary shares of £1 each £	Non- redeemable preference shares of £1 each £	Total £
Authorised at 1 July 2007 and 30 June 2008	99,500	500	100,000
Allotted and fully paid at 1 July 2007 and 30 June 2008	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.

14 Share premium account

	£
At 1 July 2007 and 30 June 2008	383,218

Hali Publications Limited

Notes to the financial statements

15 Profit and loss account

	£
At 1 July 2007	1,151,235
Retained loss for the financial year	(1,824,195)
At 30 June 2008	(672,960)

16 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Retained (loss) for the financial year	(1,824,195)	(28,384)
Opening shareholders' funds at 1 July	1,575,611	1,603,995
Closing shareholders' funds at 30 June	(248,584)	1,575,611

17 Capital commitments

There were no capital commitments at 30 June 2008 (2007: nil).

18 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 4.

Hali Publications Limited

Accountant's report to the directors of Hali Publications Limited for the year ended 30 June 2008

As described on the balance sheet, the directors of the Company are responsible for the preparation of the financial statements for the year ended 30 June 2008, set out on pages 3 to 11.

You consider that the Company is exempt from the requirement to have an audit under the Companies Act 1985.

In accordance with your instructions I have compiled these unaudited financial statements from the accounting records and information and explanations supplied to me in order to assist you in fulfilling your statutory responsibilities.



N St J Lawson
Chartered Accountant
Ashton
Hillbrow Road
Esher
KT10 9UD

28 April 2009