

# **Hali Publications Limited**

(Registered number 1391142)

## **Annual report**

**For the year ended 30 June 2003**



# **Hali Publications Limited**

## **Annual report for the year ended 30 June 2003**

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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**

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 2003.

### **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 profit 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.

### **Trading results and dividends**

The profit for the financial year is £155,283 (2002: £172,029). The directors do not recommend the payment of a dividend (2002: nil).

### **Future developments**

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

### **Post balance sheet event**

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.

### **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

### **Directors' interests**

GV Sherren and GTD Wilmot are also directors of Centaur Communications Limited ("Centaur"), the ultimate parent undertaking as at 30 June 2003, 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 2003 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

Following the transfer of substantially all of the business of the UK firm of PricewaterhouseCoopers, the Company's auditors, to a limited liability partnership on 1 January 2003, PricewaterhouseCoopers resigned on 30 January 2003 and the directors appointed the new firm, PricewaterhouseCoopers LLP to fill the casual vacancy with effect from the same date. Pursuant to a shareholders' resolution under section 386 of the Companies Act 1985, the Company is not obliged to re-appoint its auditors annually and this is not affected by the Company's auditors' change of status.

By order of the Board

IPH Roberts  
Secretary

23 April 2004

## **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 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.

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. The other information comprises the directors' report.

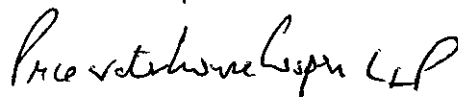
### **Basis of audit opinion**

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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
London

23rd April 2004

## Hali Publications Limited

### Profit and loss account for the year ended 30 June 2003

	Notes	2003 £	2002 £
Turnover	1	1,271,606	1,312,733
Cost of sales		(794,903)	(869,001)
Gross profit		476,703	443,732
Distribution costs		(85,664)	(102,086)
Administrative expenses		(177,689)	(198,439)
Operating profit	2	213,350	143,207
Interest receivable and similar income	4	-	3,742
Profit on ordinary activities before taxation		213,350	146,949
Tax (charge) / credit on profit on ordinary activities	5	(58,067)	25,080
Retained profit for the financial year	13	155,283	172,029

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 15 form an integral part of these financial statements.

# Hali Publications Limited

## Balance sheet at 30 June 2003

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	6	115,023	120,488
<b>Current assets</b>			
Stock	7	9,482	6,163
Debtors	8	1,716,982	1,524,701
Cash at bank and in hand		97,510	47,679
		<b>1,823,974</b>	<b>1,578,543</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(661,409)</b>	<b>(579,006)</b>
<b>Net current assets</b>		<b>1,162,565</b>	<b>999,537</b>
<b>Total assets less current liabilities</b>		<b>1,277,588</b>	<b>1,120,025</b>
<b>Provisions for liabilities and charges</b>	10	<b>(15,075)</b>	<b>(12,795)</b>
		<b>1,262,513</b>	<b>1,107,230</b>
<b>Capital and reserves</b>			
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	838,137	682,854
<b>Total shareholders' funds</b>	14	<b>1,262,513</b>	<b>1,107,230</b>
Represented by:			
Equity shareholders' funds		1,262,386	1,107,103
Non-equity shareholders' funds		127	127

The financial statements on pages 5 to 15 were approved by the board of directors on 23rd April 2004 and were signed on its behalf by:



GTD Wilmot  
Director

The accounting policies on pages 7 and 8 and notes on pages 9 to 15 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 Communications Limited, 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 (continued)

### 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:

	2003 £	2002 £
United Kingdom	210,502	211,651
Overseas	1,061,104	1,101,082
	<b>1,271,606</b>	<b>1,312,733</b>

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

### 2 Operating profit

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

	2003 £	2002 £
Staff costs (note 3)	439,552	388,976
Depreciation of tangible assets	20,365	20,774
Auditors' remuneration		
- audit	-	-
- non audit	-	-

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

### 3 Employees and directors

#### Staff costs

	2003 £	2002 £
Wages and salaries	391,301	345,812
Social security costs	39,552	34,235
Other pension costs	8,699	8,929
	<b>439,552</b>	<b>388,976</b>

# 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:

	2003 Number	2002 Number
Editorial	5	5
Administration	4	1
Production	2	2
Sales	3	4
	<b>14</b>	<b>12</b>

#### Directors' emoluments

	2003 £	2002 £
Aggregate emoluments	<b>61,303</b>	59,649
Pension contributions to money purchase scheme	<b>4,226</b>	3,967
	<b>65,529</b>	<b>63,616</b>

During the year 1 director (2002: 1) participated in money purchase schemes.

### 4 Interest receivable and similar income

	2003 £	2002 £
Interest receivable	-	3,742
	-	<b>3,742</b>

### 5 Tax on profit on ordinary activities

	2003 £	2002 £
Corporation tax at 30% (2002:30%)		
- current year	<b>64,372</b>	15,992
- adjustment in respect of prior years	<b>(8,585)</b>	(40,341)
	<b>55,787</b>	<b>(24,349)</b>
Deferred tax		
- current year (origination and reversal of timing differences)	<b>367</b>	112
- adjustment in respect of prior years	<b>1,913</b>	(843)
	<b>2,280</b>	<b>(731)</b>
	<b>58,067</b>	<b>(25,080)</b>

# Hali Publications Limited

## Notes to the financial statements (continued)

### 5 Tax on profit on ordinary activities (continued)

	2003 £	2002 £
Profit on ordinary activities before tax	213,350	146,949
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 2003: 30% (2002: 30%)	64,005	35,620
Effects of:		
Expenses not deductible for tax purposes	734	1,519
Capital allowances for the period in excess of depreciation	(367)	(90)
Group relief	-	(21,057)
Adjustments to tax charge in respect of previous periods	(8,585)	(40,341)
Current tax charge / (credit) for the period	55,787	(24,349)

### 6 Tangible fixed assets

	Plant and Machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 July 2002	5,016	235,940	240,912	481,868
Additions	-	-	14,900	14,900
Disposals	-	-	-	-
At 30 June 2003	5,016	235,940	255,812	496,768
<b>Depreciation</b>				
At 1 July 2002	5,016	157,097	199,267	361,380
Charge for the year	-	10,737	9,628	20,365
Disposals	-	-	-	-
At 30 June 2003	5,016	167,834	208,895	381,745
<b>Net book amount</b>				
At 30 June 2003	-	68,106	46,917	115,023
At 30 June 2002	-	78,843	41,645	120,488

### 7 Stock

	2003 £	2002 £
Work in progress	5,319	-
Goods for resale	4,163	6,163
	9,482	6,163

# Hali Publications Limited

## Notes to the financial statements (continued)

### 8 Debtors

	2003 £	2002 £
Trade debtors	358,004	363,013
Amounts owed by group undertakings	1,357,275	1,148,621
Other taxation and social security	-	1,311
Other debtors	-	8,862
Prepayments and accrued income	1,703	2,894
	<b>1,716,982</b>	<b>1,524,701</b>

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

	2003 £	2002 £
Trade creditors	55,014	28,293
Amounts owed to group undertakings	-	5,362
Corporation tax payable	72,521	1,840
Other creditors	176	-
Accruals and deferred income	533,698	543,511
	<b>661,409</b>	<b>579,006</b>

### 10 Provision for deferred tax

The deferred tax provision in the Company represents:

	2003 £	2002 £
Accelerated capital allowances	15,075	12,795
Undiscounted provision for deferred tax	15,075	12,795
		<b>Deferred tax £</b>
Provision at 1 July 2002		12,795
Charge for the year		2,280
<b>At 30 June 2003</b>		<b>15,075</b>

# 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 2002 and 30 June 2003	99,500	500	100,000
Allotted and fully paid at 1 July 2002 and 30 June 2003	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

	2003 £	2002 £
At 30 June 2003	383,218	383,218

### 13 Profit and loss account

	£
At 1 July 2002	682,854
Retained profit for the financial year	155,283
At 30 June 2003	838,137

## Hali Publications Limited

### Notes to the financial statements (continued)

#### 14 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Retained profit for the financial year	155,283	172,029
Opening shareholders' funds	1,107,230	935,201
<b>Closing shareholders' funds</b>	<b>1,262,513</b>	<b>1,107,230</b>

#### 15 Capital commitments

There were no capital commitments at 30 June 2003 (2002: nil).

#### 16 Contingent liabilities

At 30 June 2003, the Company has granted a cross guarantee in favour of its bankers in respect of the bank borrowings of the ultimate parent undertaking (Centaur Communications Limited) 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 4. Included within other creditors is an amount of nil (2002: nil) payable in respect of the money purchase pension schemes.

#### 18 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 Centaur Group.

#### 19 Ultimate parent undertaking

The ultimate controlling and parent company (as defined in FRS 8) during the period was Centaur Communications Limited, 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 Communications Limited 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.



## **Hali Publications Limited**

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

#### **20 Post balance sheet event**

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.