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K. G. S A U R   L I M I T E D

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1982



**K.G. SAUR LIMITED**

**REPORT OF THE DIRECTORS**

**FOR THE YEAR ENDED 31ST DECEMBER 1982**

The directors have pleasure in presenting their report and the audited accounts of the Company for the year ended 31st December, 1982.

**Review of activities and post balance sheet event**

The principal activity of the Company continued to be that of publishing.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

With effect from 1st January, 1983, the Company acquired the entire issued share capital of K G S Reference Services Limited and Tomley Limited. As consideration for these acquisitions the Company issued a total of 10,000 of its own ordinary shares of £1 each. Following these acquisitions the Company acquired the entire undertakings of K G S Reference Services Limited and Tomley Limited.

**Results**

The results for the year are as shown in the Profit and Loss Account and the loss for the year of £34,071 is added to the profit and loss account deficit carried forward. No dividend is recommended.

**Directors**

The directors during the year were as follows:

K G Saur  
B M Wilden  
B K Tomes

Resigned

2/11/82

Mr B Wilden resigned as a director and Mr G R J McDonald was appointed a director on 26th March, 1983.

The whole of the issued share capital is owned by an overseas organisation in which Mr K G Saur has a substantial interest.

The Company is involved in contracts for the purchase and sale of books with organisations in which Mr K G Saur has an interest.

**Changes in fixed assets**

Movements in fixed assets are set out in note 2 to the accounts.

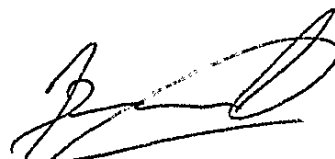
**Auditors**

A resolution to re-appoint the auditors, Meeson Makinson Smith & Co, will be proposed at the annual general meeting.

By order of the Board

Registered office:  
Ashley House  
18/20 George Street  
Richmond, Surrey.

10th April, 1984



Secretary

AUDITORS' REPORT TO THE MEMBERS

OF K.G. SAUR LIMITED

We have audited the financial statements set out on pages 3 to 9 in accordance with approved Auditing Standards.

In our opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 31st December, 1982, and of its loss and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

*Meeson Makinson Smith* →

Meeson Makinson Smith & Co.  
Chartered Accountants

Ashley House  
18/20 George Street  
Richmond Surrey

10th April, 1984

K.G. SAUR LIMITED  
BALANCE SHEET  
AS AT 31ST DECEMBER 1982

	<u>Notes</u>		<u>1981</u>
Fixed assets :			
Tangible assets	2	£ 27,694	£ 17,308
Current assets :			
Stocks	3	£ 192,197	92,038
Debtors	4	566,469	685,458
Cash at bank and in hand		821	4,359
		-----	-----
		759,487	781,855
Creditors: amounts falling due within one year	5	183,923	88,885
		-----	-----
Net current liabilities		575,564	692,970
		-----	-----
Total assets <u>less</u> current liabilities		603,258	710,278
Creditors: amounts falling due after more than one year	6	725,771	798,720
		-----	-----
		£(122,513)	£ (88,442)
		=====	=====
Represented by -			
Capital and reserves :			
Called up share capital	7	£ 100	£ 100
Profit and loss account		(122,613)	(88,542)
		-----	-----
		£(122,513)	£ (88,442)
		=====	=====

Signed .....  
Director

.....  
Director

Approved on 10th April, 1984

K.G. SAUR LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1982

	<u>Notes</u>		<u>1981</u>
Turnover	1(c)	£ 577,572	£ 507,513
Cost of sales		428,081	433,235
Gross profit		149,491	74,278
Distribution costs		( 45,263)	( 21,349)
Administrative expenses		(238,825)	(197,886)
Other interest received and similar income		146	1,059
Other operating income		100,931	88,640
Interest payable and similar charges	9	(551)	-
Loss for year transferred to reserves		34,071	55,258
Losses brought forward		68,542	33,284
Losses carried forward		£ 122,613 =====	£ 88,542 =====

K.G. SAUR LIMITED

SOURCE AND APPLICATION OF FUNDS STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 1982

		<u>1981</u>
SOURCE OF FUNDS -		
Funds absorbed by operations -	£ (34,071)	£ (55,258)
Loss for year		
Adjustment for item not involving the movement of funds -		
Depreciation	10,237	5,380
	-----	-----
	(23,834)	(49,878)
Increase in provision for sales in advance	-	117,782
	-----	-----
	(23,834)	67,904
APPLICATION OF FUNDS -		
Purchase of fixed assets	£ 20,623	22,688
Reduction in provision for sales in advance	72,949	-
	-----	-----
	93,572	22,688
	-----	-----
(Decrease)/Increase in working capital	£ (117,406)	£ 45,216
	=====	=====
(Decrease)/Increase in working capital comprises:		
(Decrease)/Increase in debtors	£ (118,989)	£ 123,550
(Increase) in creditors	( 95,038)	( 60,729)
	-----	-----
	(214,027)	62,821
Increase in stock and work in progress	100,159	22,314
	-----	-----
	(113,868)	85,139
Decrease in cash at bank and in hand	( 3,538)	( 39,919)
	-----	-----
	£ (117,406)	£ 45,216
	=====	=====

K. G. SAUR LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1982

1. Accounting policies :

- (a) Accounting convention -  
The accounts have been prepared under the historical cost convention.
- (b) Going concern basis -  
The Chairman Mr K G Saur has agreed to provide such funds as may be necessary to meet the liabilities of the Company in full. The accounts have therefore been prepared on a going concern basis.
- (c) Turnover -  
Turnover represents the invoiced value of books sold and delivered during the year excluding value added tax.
- (d) Foreign currencies -  
Liabilities expressed in foreign currencies have been included at the rates ruling at the Balance Sheet date.
- (e) Fixed assets and depreciation -  
Fixed assets are written off over their expected useful lives on the straight line method of depreciation. The rates used are as follows:
- |                                   |     |
|-----------------------------------|-----|
| Furniture, fixtures and equipment | 15% |
| Motor vehicles                    | 20% |
| Leasehold improvements            | 33% |
- (f) Stocks and work in progress -  
Stocks and work in progress are valued at the lower of cost and estimated net realisable value.

2. Fixed assets :

	<u>Furniture, fixtures and equipment</u>	<u>Leasehold improvements</u>	<u>Motor vehicle</u>	<u>Total</u>
	£	£	£	£
At cost -				
At 1/1/82	9,876	10,014	2,798	22,688
Additions	10,999	9,624	-	20,623
	-----	-----	-----	-----
At 31/12/82	20,875	19,638	2,798	43,311
	-----	-----	-----	-----
Depreciation -				
At 1/1/82	1,482	3,338	560	5,380
Charge for year	3,131	6,546	560	10,237
	-----	-----	-----	-----
	4,613	9,884	1,120	15,617
	-----	-----	-----	-----
Net book value -				
31/12/82	16,262	9,754	1,678	27,694
	=====	=====	=====	=====
31/12/81	8,394	6,676	2,238	17,308
	=====	=====	=====	=====

K.G. SAUR LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1982

CONTINUED

3. Stocks :  
Stocks is made up as follows -

		<u>1981</u>
Raw materials and consumables	£ 3,707	£ 4,121
Work in progress	107,354	63,302
Finished goods and goods for resale	81,136	24,615
	-----	-----
	£ 192,197	£ 92,038
	=====	=====

4. Debtors :  
Debtors is made up as follows -

		<u>1981</u>
Trade debtors	£ 240,096	£ 217,655
Other debtors	303,015	456,070
Prepayments and accrued income	23,358	11,733
	-----	-----
	£ 566,469	£ 685,458
	=====	=====

Other debtors includes commission paid in advance of £ 104,965 (1981 - £121,084) for books sold which have not yet been delivered. It also includes an amount of £ 180,989 due from KGS Reference Services Limited which became a wholly owned subsidiary on 1st January, 1983.

5. Creditors : amounts falling due within one year :  
This is made up as follows -

		<u>1981</u>
Bank loans and overdrafts	£ 11,711	£ 10,255
Trade creditors	136,005	40,584
Other creditors including taxation and social security	36,207	38,046
	-----	-----
	£ 183,923	£ 88,885
	=====	=====

Other creditors including taxation and social security includes £26,292 (1981 - £14,262) for taxation and social security.

6. Creditors : amounts falling due after more than one year :

		<u>1981</u>
Provision for sales in advance	£ 725,771	£ 798,720

The Company has contracted to supply certain books to its customers in succeeding years for which payment has been received. Similar contracts have been taken over from associated companies. A provision has therefore been made for the proportion of sale proceeds which relate to books not supplied at 31st December, 1982.



K.G. SAUR LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 1982  
CONTINUED

7. Directors' emoluments :  
Emoluments of directors of K.G. Saur Limited: 1981
- |                         |          |         |
|-------------------------|----------|---------|
| As directors            | £ 12,000 | £ 9,000 |
| For management services | nil      | nil     |
- Directors' emoluments, disclosed in accordance with sections 6 and 7 of the Companies Act 1967, are as follows:
- |   |          |       |
|---|----------|-------|
| Emoluments of the Chairman              | £ 12,000 | £ nil |
| Emoluments of the highest paid director | nil      | 9,000 |
- None of the other directors received any remuneration.
8. Called up share capital : 1981
- |   |       |       |
|---|-------|-------|
| Authorised, issued and fully paid<br>up - 100 shares of £1 each | £ 100 | £ 100 |
|---|-------|-------|
9. Interest payable and other similar charges :  
This represents interest paid on the bank overdraft in the ordinary course of the Company's business.
10. Loss for year :  
The loss for the year is after charging the following items - 1981
- |                                       |         |         |
|---------------------------------------|---------|---------|
| Auditors' remuneration                | £ 3,500 | £ 2,250 |
| Depreciation of tangible fixed assets | 10,237  | 5,380   |
| Directors' emoluments                 | 12,000  | 9,000   |
| Hire of plant and equipment           | 401     | -       |
11. Employee information :
- (a) The average number of persons employed by the Company during the year by type of work, including executive directors, was as follows - 1981
- |                      |    |    |
|----------------------|----|----|
| Editorial staff      | 22 | 22 |
| Administrative staff | 2  | 2  |
- (b) Employment costs, all employees including executive directors, were as follows -
- |                               |           |           |
|-------------------------------|-----------|-----------|
| Aggregate gross wages         | £ 172,521 | £ 142,402 |
| Employer's national insurance | 22,280    | 19,367    |
|                               | -----     | -----     |
|                               | £ 194,801 | £ 161,769 |
|                               | =====     | =====     |

K.G. SAUR LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1982

CONTINUED

12. Directors' interests in contracts :  
Details of contracts with the company in which directors had a material interest during the year are set out below:

<u>Director</u>	<u>Organisation</u>	<u>Principal terms</u>	<u>Value of transaction</u>	<u>Nature of interest</u>
K G Saur	K G Saur Verlag KG	Commission as selling agent	£ 95,976 =====	Proprietor
		Sales	£ 91,000 =====	
K G Saur	K G S Reference Services Limited	Purchases of books	£ 299,046 =====	Director & shareholder
		Commission as selling agent	£ 35,931 =====	
		Management charge	£ 65,000 =====	
B M Wilden	Zenithplan Limited	Management charge	£ 31,756 =====	Director & shareholder

13. Taxation :  
Losses amounting to £190,000 are available to offset against future profits, of which £66,000 consists of stock relief claimed.
14. Post Balance Sheet event :  
With effect from 1st January, 1983, the Company acquired the entire issued share capital of K G S Reference Services Limited and Tomley Limited. As consideration for these acquisitions the Company issued a total of 10,000 of its own ordinary shares of £1 each. Following these acquisitions the Company acquired the entire undertakings of K G S Reference Services Limited and Tomley Limited.
15. Contingent Liabilities and financial commitments :  
There were no contingent liabilities or capital commitments at 31st December, 1982, or 31st December, 1981.