

BLACKHORSE DISTRIBUTION LIMITED
FINANCIAL STATEMENTS
30 DECEMBER 2015



BLACKHORSE DISTRIBUTION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 DECEMBER 2015

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BLACKHORSE DISTRIBUTION LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 30 DECEMBER 2015

The director presents his report and the financial statements of the company for the year ended 30 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of magazine distribution.

DIRECTOR

The director who served the company during the year was as follows:

S A Fox

REVIEW OF THE BUSINESS

The profit and loss account for the year is set out on page 5. The directors do not recommend a dividend (2014: £Nil).

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

In so far as the director is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Cooley & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

BLACKHORSE DISTRIBUTION LIMITED

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 30 DECEMBER 2015

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
Freebournes Road
Witham
Essex
CM8 3UH

Signed by order of the director

A handwritten signature in black ink, appearing to read 'W.T. Mullen', with a small dot at the end.

W T MULLEN
Company Secretary

Approved by the director on 3 February 2017.

BLACKHORSE DISTRIBUTION LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BLACKHORSE DISTRIBUTION LIMITED
YEAR ENDED 30 DECEMBER 2015

We have audited the financial statements of Blackhorse Distribution Limited for the year ended 30 December 2015. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BLACKHORSE DISTRIBUTION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLACKHORSE DISTRIBUTION LIMITED *(continued)*

YEAR ENDED 30 DECEMBER 2015

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report.



C.M.COOLEY (Senior Statutory Auditor)

For and on behalf of
COOLEY & CO
Chartered Accountants
& Statutory Auditor

Sampuran House
3a Chislehurst Road
Orpington
Kent
BR6 0DF

3 February 2017

BLACKHORSE DISTRIBUTION LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 DECEMBER 2015

	Note	2015 £	2014 £
TURNOVER		17,950	247,555
Cost of sales		<u>7,045</u>	<u>83,107</u>
GROSS PROFIT		10,905	164,448
Administrative expenses		<u>164,810</u>	<u>107,945</u>
OPERATING (LOSS)/PROFIT	2	(153,905)	56,503
Interest payable and similar charges		<u>28,483</u>	<u>65,917</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(182,388)	(9,414)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(182,388)	(9,414)
Extraordinary item	5	<u>1,190,020</u>	<u>-</u>
PROFIT/(loss) FOR THE FINANCIAL YEAR AFTER TAXATION & EXTRAORDINARY ITEM		1,007,632	(9,414)
Balance brought forward		<u>(4,994,240)</u>	<u>(4,984,826)</u>
Balance carried forward		<u><u>(3,986,608)</u></u>	<u><u>(4,994,240)</u></u>

The notes on pages 7 to 10 form part of these financial statements.

BLACKHORSE DISTRIBUTION LIMITED

BALANCE SHEET

30 DECEMBER 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	2,047	3,177
CURRENT ASSETS			
Debtors	7	511,341	635,134
Cash at bank and in hand		29,066	-
		<u>540,407</u>	<u>635,134</u>
CREDITORS: Amounts falling due within one year	8	<u>4,528,962</u>	<u>5,632,451</u>
NET CURRENT LIABILITIES		<u>(3,988,555)</u>	<u>(4,997,317)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(3,986,508)</u>	<u>(4,994,140)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	100	100
Profit and loss account		<u>(3,986,608)</u>	<u>(4,994,240)</u>
DEFICIT		<u>(3,986,508)</u>	<u>(4,994,140)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved and signed by the director and authorised for issue on 3 February 2017.


S A FOX
Director

Company Registration Number: 02043034

The notes on pages 7 to 10 form part of these financial statements.

BLACKHORSE DISTRIBUTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 DECEMBER 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover, which excludes value added tax and trade discounts, represents the commission earned in the year on magazines distributed (net of provision for returns).

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	- 15-20%
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Deferred taxation

Deferred tax is provided using the liability method on all timing differences between the profit computed for taxation purposes and the profit stated in the financial statements. Deferred tax assets are only included in the financial statements if recovery is more likely than not.

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Going concern

The financial statements have been prepared on a going concern basis, which assumes the continuing financial support of the ultimate holding company. The ultimate holding company has indicated that it will provide the necessary support for a year of at least 12 months from the date on which these financial statements are signed and for the foreseeable future thereafter.

BLACKHORSE DISTRIBUTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 DECEMBER 2015

2. OPERATING LOSS

Operating loss is stated after charging:

	2015 £	2014 £
Depreciation of owned fixed assets	1,127	1,168
Auditor's fees	4,000	4,000
Net loss on foreign currency translation	<u>63,261</u>	<u>35,493</u>

3. DIRECTOR'S EMOLUMENTS

The director received no emoluments from the company (2014 - nil).

4. TAXATION ON ORDINARY ACTIVITIES

(A) Analysis of tax charge for the year

No liability to tax arises in respect of the loss for the year or for 2014.

(B) Factors affecting tax charge for future years

The company has a deferred tax asset of £453,160 (2014-£416,682), at a corporation tax rate of 20% (2014-20%), not included in the financial statements as recovery is not certain. The deferred tax asset is analysed as follows:

	2015 £	2014 £
Tax losses carried forward	445,807	407,851
Fixed asset timing differences	<u>7,353</u>	<u>8,831</u>
	<u>453,160</u>	<u>416,682</u>

The deferred tax asset may be recovered against future profits from the same trade.

5. EXTRAORDINARY ITEM

The company indebtedness to a fellow subsidiary was substantially released on the cessation of activity by that company.

BLACKHORSE DISTRIBUTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 DECEMBER 2015

6. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 31 December 2014	133,954
Disposals	(63,198)
At 30 DECEMBER 2015	70,756
DEPRECIATION	
At 31 December 2014	130,777
Charge for the year	1,127
Disposals	(63,195)
At 30 DECEMBER 2015	68,709
NET BOOK VALUE	
At 30 DECEMBER 2015	2,047
At 31 December 2014	3,177

7. DEBTORS

	2015 £	2014 £
Trade debtors	447,125	562,407
Amounts owed by group undertakings	61,477	69,481
Other debtors	2,739	3,246
	511,341	635,134

8. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Overdrafts	-	2,205,447
Trade creditors	1,434	48,405
Amounts owed to group undertakings	4,507,195	3,352,133
Other creditors	20,333	26,466
	4,528,962	5,632,451

BLACKHORSE DISTRIBUTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 DECEMBER 2015

9. CONTINGENCIES

The company is a member of a group VAT registration with its parent company and certain fellow subsidiaries. At 30 December 2015 the maximum potential liability of the company under the terms of this registration was £5,213 (2014 - £69,410).

The director does not anticipate any loss arising from this contingent liability.

10. RELATED PARTY TRANSACTIONS

Woodford Litho Limited, a non-wholly owned fellow subsidiary, was owed by the company £20,237 at the year end (2014 £8,005 owed by Woodford Litho Limited).

Transactions with the holding company and wholly owned group members are exempt from disclosure.

11. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12. ULTIMATE HOLDING COMPANY AND ULTIMATE CONTROLLING PARTY

The directors regard Europress Holdings Limited, a company registered in England and Wales, as the ultimate holding company. Europress Holdings Limited had a 100% interest in the equity of the company at 30 December 2015. Its registered address is Freebournes House, Freebournes Road, Witham, Essex. CM8 3US.

In the opinion of the directors, Mr S A Fox became the ultimate controlling party during the year by virtue of his acquisition of a majority shareholding in the parent company.