

2056979

REGISTRAR OF  
COMPANIES

**G.E. Publishing Limited**

Report and Financial Statements

Year Ended  
30 June 1994



**BDO**

BDO Stoy Hayward  
Chartered Accountants

# **G.E. PUBLISHING LIMITED**

## **Annual report and financial statements for the year ended 30 June 1994**

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### **Directors**

P L Edwards  
E C P Glaze  
P A Costick

### **Secretary and Registered Office**

P A Costick, 8 Baker Street, London, W1M 1DA

### **Company number**

2056979

### **Auditors**

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

## **G.E. PUBLISHING LIMITED**

### **Report of the directors for the year ended 30 June 1994**

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The directors present their report together with the audited financial statements for the year ended 30 June 1994.

#### **Results and dividends**

The consolidated profit and loss account is set out on page 3 and shows the result for the year.

The directors do not recommend the payment of a dividend.

#### **Principal activities, trading review and future developments**

The principal activity of the group is the research and development of new publishing concepts and the provision of editorial copy and layout for magazines.

The directors anticipate that the group will return to profits in the future.

There have been no events since the balance sheet date which materially affect the position of the group.

#### **Significant changes in fixed assets**

Movements in tangible fixed assets are set out in note 9 to the financial statements.

#### **Directors**

The directors of the company during the year and their interests in the ordinary share capital of the company at the beginning and end of the year were:

	Ordinary shares of £1 each
P L Edwards	375
E C P Glaze	375
P A Costick	250

## G.E. PUBLISHING LIMITED

### Report of the directors for the year ended 30 June 1994 (*Continued*)

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#### 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 the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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 their admission on 1 October 1994 as the United Kingdom representatives of BDO International our auditors have changed their name to BDO Stoy Hayward with effect from that date. BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.



By order of the Board

P.A. Costick

Secretary

Date

17 November 1994

**G.E. PUBLISHING LIMITED****Consolidated profit and loss account for the year ended 30 June 1994**

	Note	1994 £	1993 £
Turnover	2	6,156,310	5,722,413
Cost of sales		5,390,516	4,003,193
		<hr/>	<hr/>
Gross profit		765,794	1,719,220
Administrative expenses		1,516,849	1,455,845
		<hr/>	<hr/>
Operating (loss)/profit		(751,055)	263,375
Interest receivable	3	35,030	60,929
Income from interest in associated undertaking		382,892	27,052
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation	4	(333,133)	351,356
Taxation on profits from ordinary activities	6	(40,150)	151,482
		<hr/>	<hr/>
(Loss)/profit on ordinary activities after taxation	7	(292,984)	199,874
		<hr/>	<hr/>
Retained (loss)/profit for the year	15	(292,984)	199,874
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 8 to 17 form part of these financial statements

**G.E. PUBLISHING LIMITED**

**Reconciliation of movements in shareholders' funds for the year ended 30 June 1994**

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	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of movements in shareholders' funds</b>		
(Loss)/profit for the year	(292,984)	199,874
Dividends	-	-
	<hr/>	<hr/>
<b>Net addition to shareholders' funds</b>	<b>(292,984)</b>	<b>199,874</b>
Opening shareholders' funds	766,258	566,384
	<hr/>	<hr/>
<b>Net assets at 30 June 1994</b>	<b>473,275</b>	<b>766,258</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 17 form part of these financial statements

# G.E. PUBLISHING LIMITED

Consolidated balance sheet at 30 June 1994

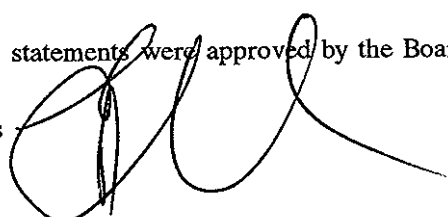
	Note	1994	1993
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	8	175,346	268,304
Investments	9	123,541	68,951
		<u>298,887</u>	<u>337,255</u>
<b>Current assets</b>			
Stocks	10	297,803	204,731
Debtors	11	866,079	242,210
Cash at bank and in hand		363,202	1,138,881
		<u>1,527,084</u>	<u>1,585,822</u>
<b>Creditors: amounts falling due within one year</b>	12	1,352,696	1,156,819
		<u>174,387</u>	<u>429,003</u>
<b>Net current assets</b>			
		<u>473,275</u>	<u>766,258</u>
<b>Total assets less current liabilities</b>			
		<u>473,275</u>	<u>766,258</u>
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account	14	472,275	765,258
		<u>473,275</u>	<u>766,258</u>
<b>Shareholders' funds</b>			
		<u>473,275</u>	<u>766,258</u>

All items within shareholders' funds are equity

The financial statements were approved by the Board on

17 November 1994

P L Edwards  
Director



The notes on pages 8 to 17 form part of these financial statements

# G.E. PUBLISHING LIMITED

Balance sheet at 30 June 1994

	Note	1994	1993
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	8	65,038	96,259
Investments	9	28,726	28,726
		<u>93,764</u>	<u>124,985</u>
<b>Current assets</b>			
Stocks	10	126,660	-
Debtors	11	742,239	163,474
Cash at bank and in hand		189,767	907,224
		<u>1,058,666</u>	<u>1,070,698</u>
<b>Creditors: amounts falling due within one year</b>	12	801,013	473,853
		<u>257,653</u>	<u>596,845</u>
<b>Net current assets</b>		<u>351,417</u>	<u>721,830</u>
<b>Total assets less current liabilities</b>		<u>351,417</u>	<u>721,830</u>
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account	14	350,417	720,830
		<u>351,417</u>	<u>721,830</u>
<b>Shareholders' funds</b>		<u>351,417</u>	<u>721,830</u>

All items within shareholders' funds are equity.

The financial statements were approved by the Board on 17 November 1994

P L Edwards

Director

The notes on pages 8 to 17 form part of these financial statements



**G.E. PUBLISHING LIMITED**

**Consolidated cash flow statement for the year ended 30 June 1994**

	Note	1994	1993
		£	£
Net cash (outflow)/inflow from operating activities	17	(703,695)	526,221
Returns on investments and servicing of finance			
Interest received		35,032	60,929
Dividends paid		-	-
Net cash inflow from returns on investment and servicing of finance		35,032	60,929
Taxation			
Corporation tax paid		(83,264)	(78,242)
Investing activities			
Payments to acquire tangible fixed assets		(64,334)	(53,894)
Receipts from sales of tangible fixed assets		40,582	996
Net cash outflow from investing activities		(23,752)	(52,898)
(Decrease)/increase in cash and cash equivalents	18	(775,679)	456,010

The notes on pages 8 to 17 form part of these financial statements

## G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994

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### 1 Accounting policies

There have been no changes in accounting policies during the year.

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The company has taken advantage of the exemption from presenting its own profit and loss account. The following principal accounting policies have been applied:

#### *Turnover*

Turnover represents sales to outside customers at invoiced amounts less value added tax. Royalty income is accounted for on a received basis.

#### *Basis of consolidation*

The consolidated accounts incorporate the accounts of G.E. Publishing Limited, its subsidiary undertakings and associated undertaking, made up to 30 June 1994. The acquisition method of accounting has been used to consolidate the results of the subsidiary undertakings in the group accounts. The equity method of accounting has been used to consolidate the results of the associated undertaking in the group accounts.

#### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives on a straight line basis, calculated at the following rates:

Furniture, fixtures and fittings	-	20% per annum
Office equipment	-	20% per annum
Motor vehicles	-	25% per annum
Computer equipment	-	30% per annum

#### *Goodwill*

Goodwill arising on acquisitions is written off against reserves in the year of acquisition. No adjustments were made to the book value of assets acquired or provisions in respect of the business acquired.

#### *Stock and work in progress*

Raw materials are valued at cost of purchase on a first in, first out basis. Work in progress is valued at the lower of cost and net realisable value.

#### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that a liability or asset will crystallise.

## G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

### 1 Accounting policies (Continued)

#### *Leased assets*

Leases are treated as 'operating leases' when the leasing agreement does not give rights approximating to ownership. Their annual rentals are charged to the profit and loss account on a straight-line basis over the lease term.

#### *Pension costs*

Contributions to the group's schemes are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the company.

### 2 Turnover

	1994 £	1993 £
Analysis by market:		
United Kingdom	5,644,664	5,130,717
Europe	406,726	472,571
Other	104,920	119,125
	<u>6,156,310</u>	<u>5,722,413</u>

### 3 Interest receivable

Bank interest receivable	35,030	60,929
	<u>35,030</u>	<u>60,929</u>

### 4 Profit on ordinary activities before taxation

This is arrived at after charging/(crediting):

Depreciation	135,562	155,494
Auditors' remuneration - audit services	18,000	13,275
- non audit services	6,000	5,376
Staff costs (note 5)	1,940,999	2,028,983
Operating lease charges - office equipment	39,777	46,387
- land and buildings	200,000	200,000
Profit on disposal of fixed assets	(18,588)	(705)
	<u>2,331,750</u>	<u>2,451,920</u>

# G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

## 5 Employees

	1994 £	1993 £
Staff costs (including directors) consist of:		
Wages and salaries	1,706,568	1,733,363
Social security costs	156,253	176,652
Other pension costs	78,178	94,559
	<u>1,940,999</u>	<u>2,004,574</u>

The average weekly number of employees during the year was 80 (1993 - 88).

### Directors' emoluments

Other emoluments	221,798	229,466
Pensions	54,000	66,000
	<u>275,798</u>	<u>295,466</u>

Emoluments (excluding pension contributions) of:

Chairman	71,807	73,933
Highest paid director	72,976	81,892

The remuneration of the other director fell within the following range

	Number	Number
£70,001 to £75,000	1	1

# G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

## 6 Taxation on profit on ordinary activities

	1994 £	1993 £
UK corporation tax at current rates based on profit for year	19,835	113,271
(Over)/underprovision in prior years	(59,985)	15,107
Share of corporation tax of associate	132,700	15,506
Overseas tax suffered	-	7,598
Group relief	(132,700)	-
	<u>(40,150)</u>	<u>151,482</u>

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

## 7 Profit for the year

	1994 £	1993 £
(Loss)/profit dealt with in the accounts of the parent company	(382,628)	193,709
	<u>(382,628)</u>	<u>193,709</u>

The company has taken advantage of the exemption from presenting its own profit and loss account, under section 230(3) of the Companies Act 1989.

G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

8 Tangible fixed assets

Group	Furniture fixtures and fittings £	Office equipment £	Motor vehicles £	Computer equipment £	Total £
<i>Cost</i>					
At 1 July 1993	70,922	50,146	130,214	356,451	607,733
Additions	713	10,798	15,139	37,684	64,334
Disposals	-	(26)	(38,890)	(29,164)	(68,080)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1994	71,635	60,918	106,463	364,971	603,987
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 July 1993	37,196	35,549	95,629	171,055	339,429
Provided for the year	14,486	11,256	21,338	88,218	135,298
Disposals	-	(25)	(31,497)	(14,564)	(46,086)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1994	51,682	46,780	85,470	244,709	428,641
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 30 June 1994	19,953	14,138	20,993	120,262	175,346
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1993	33,726	14,597	34,585	185,396	268,304
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

8 Tangible fixed assets (Continued)

Company	Furniture fixtures and fittings £	Office equipment £	Motor vehicles £	Computer equipment £	Total £
<i>Cost</i>					
At 1 July 1993	50,312	50,146	104,715	65,589	270,762
Additions	425	10,798	-	15,393	26,616
Disposals	-	(26)	(13,391)	(55)	(13,472)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1994	50,737	60,918	91,324	80,927	283,906
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 July 1993	30,426	35,549	76,362	32,166	174,503
Provided for the year	10,357	11,256	18,113	14,625	54,351
Disposals	-	(25)	(9,951)	(10)	(9,986)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1994	40,783	46,780	84,524	46,781	218,868
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 30 June 1994	9,954	14,138	6,800	34,146	65,038
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1993	19,886	14,597	28,353	33,423	96,259
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

## 9 Fixed asset investments

	Group		Company	
	Investment in associate £	Investment in subsidiary £	Investment in associate £	Total £
Cost at 1 July 1993 and 30 June 1994	28,722	4	28,722	28,726
Less: Goodwill written off	(18,946)			
	9,776			
Share of retained earnings	113,765			
	123,541			

The following were subsidiary and related undertakings at the end of the year.

Name of company	Country of registration	Proportion of ordinary share capital held	Nature of business
G.E. Magazines Limited	England	100%	Production of editorial copy and layouts
Inspirations Publishing Limited (formerly Newmill Limited)	England	100%	Dormant
G.E. Fabbri Limited	England	48.9%	Production and sale of partwork magazines

## 10 Stocks

	Group		Company	
	1994	1993	1994	1993
	£	£	£	£
Work in progress	297,803	204,731	126,660	-

The directors are of the opinion that the replacement cost of stocks is not materially different to cost.



# G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (*Continued*)

## 11 Debtors

	Group		Company	
	1994	1993	1994	1993
	£	£	£	£
Trade debtors	296,230	32,670	219,021	-
Amounts due from associated undertaking	163,202	35,171	163,202	35,171
Dividends receivable	195,600	-	195,600	-
Prepayments and accrued income	136,146	172,514	99,078	126,447
Other debtors	12,616	1,855	5,353	1,856
Corporation tax	62,285	-	59,985	-
	<u>866,079</u>	<u>242,210</u>	<u>742,239</u>	<u>163,474</u>

All amounts shown above fall due for payment within one year

## 12 Creditors: amounts falling due within one year

	Group		Company	
	1994	1993	1994	1993
	£	£	£	£
Trade creditors	530,432	229,774	253,190	59,627
Amounts due to subsidiary undertaking	-	-	259,679	142,359
Taxation and social security	167,712	200,359	167,712	200,359
Corporation tax	-	82,311	-	33,583
Accruals and deferred income	651,940	644,375	120,432	37,925
Other creditors	2,612	-	-	-
	<u>1,352,696</u>	<u>1,156,819</u>	<u>801,013</u>	<u>473,853</u>

## 13 Called up share capital

	Group	Company
	£	£
<i>Authorised, allotted and fully paid</i>		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

# G.E. PUBLISHING LIMITED

Notes forming part of the financial statements for the year ended 30 June 1994 (Continued)

## 14 Reserves

	Group £	Company £
Profit and loss account		
At 1 July 1993	765,258	720,830
Loss for year	(292,984)	(370,413)
	<hr/>	<hr/>
At 30 June 1994	472,275	350,417
	<hr/>	<hr/>

The company's share of aggregate net profits retained by its associated undertaking is £113,765 (1993 - £59,175).

Goodwill totalling £18,946 (1993 - £18,946) has been written off against reserves of the group.

## 15 Pensions

The group operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £24,178 (1993 - £28,559).

The company also operates a defined benefit pension scheme for its directors. The funds of the scheme, which are held separately from those of the company, are administered by an independently administered fund. The contributions are determined by a qualified actuary on the basis of triennial valuations. The pension cost charge represents contributions payable by the group to the fund and amounted to £54,000 (1993 - £66,000).

## 16 Commitments under operating leases

As at 30 June 1994, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	1994	1993	1994	1993
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	23,762	2,443
In two to five years	200,000	200,000	14,356	38,113
	<hr/>	<hr/>	<hr/>	<hr/>
	200,000	200,000	38,118	40,556
	<hr/>	<hr/>	<hr/>	<hr/>

**G.E. PUBLISHING LIMITED**

Notes forming part of the financial statements for the year ended 30 June 1994 (*Continued*)

**17 Reconciliation of operating profit to net cash (outflow)/inflow from operating activities**

	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
Operating (loss)/profit	(769,643)	262,670
Depreciation charges	135,298	155,494
(Increase)/decrease in stocks	(93,072)	71,829
(Increase)/decrease in debtors	(233,284)	170,966
Increase/(decrease) in creditors	278,188	(115,477)
Withholding tax	(21,182)	(19,261)
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(703,695)	526,221
	<hr/>	<hr/>

**18 Analysis of changes in cash equivalents during the year**

At 1 July 1993	1,138,881	682,871
Net cash (outflow)/inflow	(775,679)	456,010
	<hr/>	<hr/>
At 30 June 1994	363,202	1,138,881
	<hr/>	<hr/>

## G.E. PUBLISHING LIMITED

### Report of the auditors

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#### To the shareholders of G.E. Publishing Limited

We have audited the financial statements on pages 3 to 17 which have been prepared under the accounting policies set out on pages 8 and 9.

#### *Respective responsibilities of directors and auditors*

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

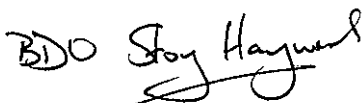
#### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 group's and the company's affairs at 30 June 1994 and of the result for the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**BDO STOY HAYWARD**

*Chartered Accountants  
and Registered Auditors  
London*

17 November 1994