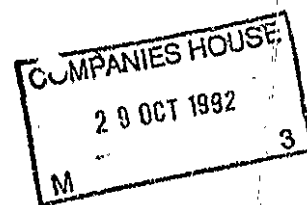


MARK ALLEN HOLDINGS LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1992



Mark Allen Holdings Limited
Directors' report

The directors present their report on the affairs of the group together with the audited accounts for the year ended 31 March 1992.

Principal activities

The main activities of the group are the publication of medical journals and organisation of medical conferences. During the year these activities were widened by the formation of Master Travel Limited which provides tour operator services.

Review of the business

The directors expect that the present level of activity will be sustained for the foreseeable future and are confident that the group can continue to trade profitably.

Results

The results for the year are shown in the profit and loss account.

Directors and their interests

The directors who held office during the year and their interests in the share capital of the company were as follows:-

	Number of ordinary shares of £1 each	
	<u>At the beginning of year</u>	<u>At end of year</u>
M Allen	82	82
S Allen	18	18

Fixed assets

The changes in fixed assets are shown in note 9 to the accounts.

Revaluation of intangible assets

The directors consider that the accounts will give a proper understanding of the operations of the company by showing the true value of those publication titles which materially exceed their historical cost value.

The directors have therefore revalued the publication "British Journal of Hospital Medicine" at £2,500,000. This valuation has been arrived at after having taken into account the current and projected earnings of the journal, the successful change of frequency from monthly to fortnightly and recent approaches from interested parties. In carrying out this valuation the directors have considered the provisions of ED 52 "Accounting for Intangible Fixed Assets".

No other publications have been revalued but the directors will continue to review the value of titles on an annual basis.

Political and charitable donations

During the year the group made charitable donations in the UK of £659 (1991 - £390).


/cont'd...

Mark Allen Holdings Limited
Directors' report (cont'd)

Auditors

A resolution to re-appoint Hextall Meakin as auditors will be put to the members at the Annual General Meeting.

By order of the board


S Allen
Secretary

Dated: 21 OCT 1992

Hextall Meakin

Chartered Accountants

Argon House, Argon Mews, Fulham Broadway, London SW6 1BJ
Telephone: 071 381 2022 Fax: 071 385 1087

Report of the Auditors to the members of
Mark Allen Holdings Limited

We have audited the accounts on pages 4 to 14 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and its group at 31 March 1992 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hextall Meakin
Chartered Accountants
Registered Auditors

Dated: 21 OCT 1992

T.C. Hextall G.R. Meakin

Mark Allen Holdings Limited
Consolidated profit and loss account
For the year ended 31 March 1992

	<u>Notes</u>	<u>1992</u> £	<u>1991</u> £
Turnover	2	3,255,607	2,432,231
Cost of sales		(1,932,223)	(1,515,598)
Gross profit		1,323,384	916,633
Operating expenses	3	(1,186,388)	(945,929)
Operating profit/(loss)		136,996	(29,296)
Interest receivable		3,430	846
Interest payable	4	(8,004)	(8,347)
Profit/(loss) on ordinary activities before taxation	5	132,422	(36,797)
Tax on profit/(loss) on ordinary activities	7	(36,362)	
Profit/(loss) on ordinary activities after taxation	16	<u>£96,060</u>	<u>£(36,797)</u>

The accompanying notes are an integral part of these accounts.


Mark Allen Holdings Limited
Consolidated balance sheet
As at 31 March 1992

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
		£	£
Fixed assets			
Intangible assets	8	2,511,071	39,231
Tangible assets	9	<u>203,618</u>	<u>83,344</u>
		2,714,689	122,575
Current assets			
Stocks	11	22,001	33,963
Debtors	12	486,613	515,736
Cash at bank and in hand		<u>107,361</u>	<u>15,918</u>
		615,975	565,617
Creditors: amounts falling due within one year	13	<u>(989,786)</u>	<u>(940,132)</u>
Net current liabilities		<u>(373,811)</u>	<u>(374,515)</u>
		2,340,878	(251,940)
Creditors: amounts falling due after more than one year	14	<u>(98,727)</u>	<u>(75,369)</u>
		<u>£2,242,151</u>	<u>£(327,309)</u>
Capital and reserves			
Called up share capital	15	100	100
Revaluation reserve	16	2,473,400	-
Profit and loss account	16	<u>(231,349)</u>	<u>(327,409)</u>
		<u>£2,242,151</u>	<u>£(327,309)</u>


Approved by the board at a meeting on

21 OCT 1992

~~1992~~


M Allen

Directors


S Allen

The accompanying notes are an integral part of these accounts.

Mark Allen Holdings Limited
Company balance sheet
As at 31 March 1992

	Notes	£	1992	£	1991	£
Fixed assets						
Investments	10			300		200
Current assets						
Debtors	12	100			100	
Creditors: amounts falling due within one year	13		(1,581)		(1,120)	
Net current liabilities			(1,481)		(1,020)	
Net liabilities			£(1,181)		£ (820)	
Capital and reserves						
Called up share capital	15		100		100	
Profit and loss account	16		(1,281)		(920)	
			£(1,181)		£(820)	

Approved by the board at a meeting on 21 OCT 1992

~~1992~~

Mark Allen

M Allen
Susan Allen

S Allen

Directors

The accompanying notes are an integral part of these accounts.

Mark Allen Holdings Limited
Company balance sheet
As at 31 March 1992

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
		£	£
Fixed assets			
Investments	10	300	200
Current assets			
Debtors	12	100	100
Creditors: amounts falling due within one year	13	(1,581)	(1,120)
Net current liabilities		(1,481)	(1,020)
Net liabilities		£(1,181)	£ (820)
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account	16	(1,281)	(920)
		£(1,181)	£(820)

Approved by the board at a meeting on

21 OCT 1992

1992

Mark Allen
M Allen
Susan Allen
S Allen

Directors

The accompanying notes are an integral part of these accounts.

Mark Allen Holdings Limited
Notes to the accounts
For the year ended 31 March 1992

1. Principal accounting policies

a) Accounting convention

The accounts have been prepared in accordance with applicable Accounting Standards and under the historical cost convention modified by the revaluation of publication titles.

b) Basis of consolidation

The group accounts incorporate the accounts of Mark Allen Holdings Limited and its subsidiaries all made up to the year ended 31 March 1992. A separate profit and loss account dealing with company results only has not been presented.

c) Tangible fixed assets

Fixed assets are depreciated at rates calculated to write off the cost of the asset on a straight line basis over their expected useful lives, at the following rates per annum:-

Office machinery and equipment	-	20%
Fixtures and fittings	-	20%
Motor vehicles	-	25%

No depreciation is included on freehold buildings as the sums involved are considered immaterial over a 50 year period.

d) Intangible fixed assets

Intangible fixed assets comprise the value of publication titles.

Acquired publishing rights and titles are amortised on a straight line basis over a period of ten years.

The value of each publication title is reviewed by the directors on an annual basis and, where it is apparent that the carrying value varies materially with the present value, the present value will be included in the accounts.

No depreciation is charged against revalued titles in the year of valuation.

All revaluation surpluses or deficits are charged or credited to the revaluation reserve account.

e) Goodwill

Any goodwill arising on consolidation, representing the excess of the purchase price over the fair value of net assets acquired, is immediately written off against revenue reserves.

f) Stocks

Stocks are valued at the lower of cost and net realisable value.

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/...)
For the year ended 31 March 1992

1. Principal accounting policies (cont'd)

g) Leasing and hire purchase commitments

Assets acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the agreements is charged to the profit and loss account over the period of the contracts and represents a constant proportion of the balance of capital repayments outstanding.

h) Subscription income

Subscription income is accounted for on an accrual basis and is allocated to the periods to which it relates.

i) Turnover

Turnover represents the invoiced value of goods sold and services provided by the group to third parties, exclusive of value added tax.

j) Pension schemes

The company operates a defined contribution pension scheme. The profit and loss account is charged with pension costs as incurred.

2. Segment information

Analysis of group turnover by activity:

	<u>1992</u>	<u>1991</u>
	£	£
Publishing	2,143,674	1,813,700
Conferences	<u>1,111,933</u>	<u>618,531</u>
	<u>£3,255,607</u>	<u>£2,432,231</u>

Analysis of group profit by activity:

	<u>1992</u>	<u>1991</u>
	£	£
Profit before tax:		
Publishing	73,550	(23,935)
Conferences	91,791	(12,862)
Travel	<u>(36,719)</u>	<u>-</u>
	<u>£128,622</u>	<u>£(36,797)</u>

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/,...)
For the year ended 31 March 1992

2. Segment information (cont'd)

Analysis of geographical group turnover:

	<u>1992</u> £	<u>1991</u> £
UK	3,035,607	2,432,231
Europe	<u>220,000</u>	<u>-</u>
	<u>£3,255,607</u>	<u>£2,432,231</u>

3. Operating expenses

	<u>1992</u> £	<u>1991</u> £
Distribution costs	590,146	446,230
Administrative expenses	<u>596,242</u>	<u>499,699</u>
	<u>£1,186,388</u>	<u>£945,929</u>

4. Interest payable

	<u>1992</u> £	<u>1991</u> £
Interest payable on sums wholly repayable within five years:		
To banks	678	1,016
To finance lease creditors	7,326	8,134
To others	<u>-</u>	<u>(803)</u>
	<u>£8,004</u>	<u>£8,347</u>

5. Profit/(loss) on ordinary activities before taxation

This is stated after charging:

	<u>1992</u> £	<u>1991</u> £
Operating lease payments	7,491	8,350
Directors' remuneration (see below)	81,610	63,854
Depreciation of tangible fixed assets	36,484	37,831
Amortisation of intangible fixed assets	1,560	5,170
Auditors' remuneration	<u>5,500</u>	<u>4,500</u>

6. Staff costs (including directors)

a) Employee costs during the year amounted to:

	<u>1992</u> £	<u>1991</u> £
Wages and salaries	543,587	441,524
Social security costs	51,531	42,470
Pensions	<u>45,000</u>	<u>-</u>
	<u>£640,119</u>	<u>£483,994</u>

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/...)
For the year ended 31 March 1992

6. Staff costs (including directors) (cont'd)

- b) The average number of persons employed (including directors) by the group during the year were as follows:-

	<u>1992</u>	<u>1991</u>
	£	£
Distribution and sales	20	12
Administration	<u>6</u>	<u>12</u>
	26	24

c) Directors' remuneration

The employee costs shown above include the following remuneration in respect of the directors of the company (including benefits in kind):

	<u>1992</u>	<u>1991</u>
	£	£
Emoluments for management services	81,610	63,854
Pensions	<u>45,000</u>	<u>-</u>
	<u>£126,610</u>	<u>£63,854</u>

The directors' remuneration shown above (excluding pensions and pension contributions) represents:

	<u>1992</u>	<u>1991</u>
Chairman and highest paid director	<u>£65,050</u>	<u>£51,000</u>

Other directors received emoluments within the following ranges:

	<u>Number</u>	<u>Number</u>
£10,001 - £15,000	-	1
£15,001 - £20,000	1	-

7. Tax on profit/(loss) on ordinary activities

	<u>1992</u>	<u>1991</u>
UK corporation tax at 25%	<u>£36,362</u>	<u>£ -</u>

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/...)
For the year ended 31 March 1992

8. Intangible fixed assets

	<u>Group</u>		
	<u>BJHM</u>	<u>Others</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Publishing rights and titles:			
Cost or valuation:			
At 1 April 1991	38,000	15,601	53,601
Additions	-	-	-
Revaluations	<u>2,473,400</u>	<u>-</u>	<u>2,473,400</u>
At 31 March 1992	<u>£2,511,400</u>	<u>£15,601</u>	<u>£2,527,001</u>
Depreciation:			
At 1 April 1991	11,400	2,970	14,370
Charge for year	<u>-</u>	<u>1,560</u>	<u>1,560</u>
	<u>£11,400</u>	<u>£4,530</u>	<u>£15,930</u>
Net book value:			
31 March 1992	<u>£2,500,000</u>	<u>£11,071</u>	<u>£2,511,071</u>
31 March 1991	<u>£26,600</u>	<u>£12,631</u>	<u>£39,231</u>

The directors have revalued the publication entitled British Journal of Hospital Medicine (BJHM) at £2,500,000 in accordance with the new accounting policy (note 1d).

No depreciation is charged on revalued titles in the year of valuation.

9. Tangible fixed assets

The group

	<u>Freehold property</u>	<u>Office machinery & equipment</u>	<u>Fixtures & fittings</u>	<u>Motor vehicle</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost:					
At 1 April 1991	-	32,137	13,818	128,295	174,250
Additions	<u>102,000</u>	<u>10,122</u>	<u>2,136</u>	<u>42,500</u>	<u>156,758</u>
At 31 March 1992	<u>£102,000</u>	<u>£42,259</u>	<u>£15,954</u>	<u>£170,795</u>	<u>£331,008</u>
Depreciation:					
At 1 April 1991	-	16,130	6,674	68,102	90,906
Charge for the year	<u>-</u>	<u>5,188</u>	<u>2,966</u>	<u>28,330</u>	<u>36,484</u>
At 31 March 1992	<u>£ -</u>	<u>£21,318</u>	<u>£9,640</u>	<u>£96,432</u>	<u>£124,390</u>
Net book value:					
At 31 March 1992	<u>£102,000</u>	<u>£20,941</u>	<u>£6,314</u>	<u>£74,363</u>	<u>£203,618</u>
At 31 March 1991	<u>£ -</u>	<u>£16,007</u>	<u>£7,144</u>	<u>£60,193</u>	<u>£83,344</u>

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/...)
For the year ended 31 March 1992

8. Intangible fixed assets

	<u>Group</u>		
	<u>BJHM</u>	<u>Others</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Publishing rights and titles:			
Cost or valuation:			
At 1 April 1991	38,000	15,601	53,601
Additions	-	-	-
Revaluations	<u>2,473,400</u>	<u>-</u>	<u>2,473,400</u>
At 31 March 1992	£2,511,400	£15,601	£2,527,001
Depreciation:			
At 1 April 1991	11,400	2,970	14,370
Charge for year	<u>-</u>	<u>1,560</u>	<u>1,560</u>
	£11,400	£4,530	£15,930
Net book value:			
31 March 1992	£2,500,000	£11,071	£2,511,071
31 March 1991	£26,600	£12,631	£39,231

The directors have revalued the publication entitled British Journal of Hospital Medicine (BJHM) at £2,500,000 in accordance with the new accounting policy (note 1d).

No depreciation is charged on revalued titles in the year of valuation.

9. Tangible fixed assets

The group

	<u>Freehold property</u>	<u>Office machinery & equipment</u>	<u>Fixtures & fittings</u>	<u>Motor vehicle</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost:					
At 1 April 1991	-	32,137	13,818	128,295	174,250
Additions	<u>102,000</u>	<u>10,122</u>	<u>2,136</u>	<u>42,500</u>	<u>156,758</u>
At 31 March 1992	£102,000	£42,259	£15,954	£170,795	£331,008
Depreciation:					
At 1 April 1991	-	16,130	6,674	68,102	90,906
Charge for the year	<u>-</u>	<u>5,188</u>	<u>2,966</u>	<u>28,330</u>	<u>36,484</u>
At 31 March 1992	£ -	£21,318	£9,640	£96,432	£124,390
Net book value:					
At 31 March 1992	£102,000	£20,941	£6,314	£74,363	£203,618
At 31 March 1991	£ -	£16,007	£7,144	£60,193	£83,344

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/...)
For the year ended 31 March 1992

8. Intangible fixed assets

	<u>Group</u>		
	<u>BJHM</u>	<u>Others</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Publishing rights and titles:			
Cost or valuation:			
At 1 April 1991	38,000	15,601	53,601
Additions	-	-	-
Revaluations	<u>2,473,400</u>	<u>-</u>	<u>2,473,400</u>
At 31 March 1992	£2,511,400	£15,601	£2,527,001
Depreciation:			
At 1 April 1991	11,400	2,970	14,370
Charge for year	<u>-</u>	<u>1,560</u>	<u>1,560</u>
	£11,400	£4,530	£15,930

Net book value:

31 March 1992	£2,500,000	£11,071	£2,511,071
31 March 1991	£26,600	£12,631	£39,231

The directors have revalued the publication entitled British Journal of Hospital Medicine (BJHM) at £2,500,000 in accordance with the new accounting policy (note 1d).

No depreciation is charged on revalued titles in the year of valuation.

9. Tangible fixed assets

The group

	<u>Freehold property</u>	<u>Office machinery & equipment</u>	<u>Fixtures & fittings</u>	<u>Motor vehicle</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost:					
At 1 April 1991	-	32,137	13,818	128,295	174,250
Additions	<u>102,000</u>	<u>10,122</u>	<u>2,136</u>	<u>42,500</u>	<u>156,758</u>
At 31 March 1992	£102,000	£42,259	£15,954	£170,795	£331,008
Depreciation:					
At 1 April 1991	-	16,130	6,674	68,102	90,906
Charge for the year	<u>-</u>	<u>5,188</u>	<u>2,966</u>	<u>28,330</u>	<u>36,484</u>
At 31 March 1992	£ -	£21,318	£9,640	£96,432	£124,390
Net book value:					
At 31 March 1992	£102,000	£20,941	£6,314	£74,363	£203,618
At 31 March 1991	£ -	£16,007	£7,144	£60,193	£83,344

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/....)
For the year ended 31 March 1992

9. Tangible fixed assets (cont'd)

The net book value of assets held under finance leases and hire purchase contracts at 31 March 1992 was £54,542 (1991 £60,193).

The company held no fixed assets during the year (1991 : £Nil).

10. Investments

	<u>Company</u>	
	<u>1992</u>	<u>1991</u>
Subsidiaries at cost	£300	£200

The company (and/or a subsidiary) own 100% of each class of issued shares of the subsidiaries shown below. All of them were incorporated in England and operate mainly in the United Kingdom. During the year a new company Master Travel Ltd was incorporated and its results for the first eight months of trading have been consolidated in the accounts.

<u>Subsidiary</u>	<u>Principal activity</u>
Mark Allen Publishing Limited	Publication of medical journals
Mark Allen Scientific Publishing Ltd	Publication of scientific and
Mark Allen International Conferences Ltd	medical journals
	Organisation and promotion of
	conferences
Master Travel Limited	Tour Operator

11. Stocks

	<u>Group</u>	
	<u>1992</u>	<u>1991</u>
Paper stocks	£22,001	£33,963

12. Debtors

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Corporation tax receivable	898	12,898	-	--
Trade debtors	417,213	369,857		
Other debtors and prepayments	68,402	132,881	-	-
Called up share capital not paid	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
	£486,613	£515,736	£100	£100

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/....)
For the year ended 31 March 1992

13. Creditors: amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Bank loan - (see note 14)	5,138	-	-	-
Bank overdraft	-	46,315	769	440
Trade creditors	355,326	245,141	-	-
Amounts owed to subsidiaries	-	-	810	678
Corporation tax	36,753	391	-	-
Other creditors and social security costs	93,316	78,461	2	2
Obligations under finance leases and hire purchase contracts	21,408	19,808	-	-
Accruals and deferred income (see below)	444,697	550,016	-	-
Director's loan	<u>33,148</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>£989,786</u>	<u>£940,132</u>	<u>£1,581</u>	<u>£1,120</u>

Accruals and deferred income includes £427,290 (1991 £460,287) in respect of income received in advance.

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

	<u>Group</u>	
	<u>1992</u>	<u>1991</u>
	£	£
Bank loan - (see below)	66,112	-
Director's loan	-	39,448
Obligations under finance leases and hire purchase contracts	<u>32,615</u>	<u>35,921</u>
	<u>£98,727</u>	<u>£75,369</u>

The bank loan was provided to finance the purchase of a freehold property. It is repayable over 17 years and is secured by a mortgage over the property.

15. Called up share capital

	<u>Group and company</u>	
	<u>1992</u>	<u>1991</u>
Authorised:		
1,000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
Allotted and issued:		
100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
Paid up:		
100 ordinary shares of £1 each	<u>£NIL</u>	<u>£NIL</u>

Mark Allen Holdings Limited
Notes to the accounts (Cont'd/....)
For the year ended 31 March 1992

16a. Profit and loss account

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Balance brought forward	(327,409)	(290,612)	(920)	(132)
Retained profit/(loss) for the year	<u>96,060</u>	<u>(36,797)</u>	<u>(361)</u>	<u>(788)</u>
Balance carried forward	£(231,349)	£(327,409)	£(1,281)	£(920)

b. Revaluation reserve

	<u>Group</u>
	<u>1992</u>
	£
At 1 April 1991	-
Surplus arising on revaluation of intangible fixed assets (note 8)	<u>2,473,400</u>
At 31 March 1992	<u>£2,473,400</u>

17. Financial commitments

1) Capital commitments

The group and company had no capital commitments at 31 March 1992 (1991: Nil).

2) Contingent liabilities

- The company has given an unlimited guarantee to secure the overdrafts of its subsidiaries.
- The subsidiaries have given an unlimited guarantee to secure their own overdrafts and the overdrafts of fellow subsidiaries.

18. Obligations under finance leases

	<u>Group</u>	
	<u>1992</u>	<u>1991</u>
	£	£
The net obligations under finance leases is repayable as follows:		
In one year or less	21,408	19,808
Between two and five years	<u>32,615</u>	<u>35,921</u>
	£54,023	£55,729