

**BRASS TACKS PUBLISHING  
PORTFOLIO LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 1999**

**Registered No: 2192760**



# **BRASS TACKS PUBLISHING PORTFOLIO LIMITED**

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## **Report of the directors for the year ended 30 April 1999**

The directors present their report and the audited financial statements for the year ended 30 April 1999.

### **Principal activities**

The principal activity of the company is the publishing, printing and distribution of magazines.

### **Directors**

The directors of the company at 30 April 1999 were:

Mr W K Conchie  
Mr P J Higgins

### **Directors' interest in shares of the company**

The interests of W K Conchie and P J Higgins in the share capital of the parent company are disclosed in that company's financial statements.

### **Directors' interests in contracts**

None of the directors had a material interest in any contract of significance to which the company was a party during the financial year.

### **Close company provisions**

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

**Directors' responsibilities**

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit of the company for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 April 1999. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Exemptions**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**Year 2000**

Many computer systems store or process data by the last two digits of the year only, resulting in incorrect or unpredictable treatment of dates after the year 2000 in software applications. The company is reviewing the potential impact of this event on all computer systems which the company, its advisors and suppliers operate. The costs of modifying computer hardware and software in relation to the year 2000 issue are not expected to be significant.

**Auditors**

A resolution to re-appoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

**BY ORDER OF THE BOARD****Secretary**

**Report of the auditors to the members of  
BRASS TACKS PUBLISHING PORTFOLIO LIMITED**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the annual report, including as described on page 2 the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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. 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.

**Basis of 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 April 1999 and of its losses for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Freya Williams Coopers*  
Chartered Accountants and Registered Auditors  
Swansea 12 November 1999

**Profit and loss account  
for the year ended 30 April 1999**

	Notes	1999 £	1998 £
<b>Turnover</b>	2	165,766	138,578
Cost of sales		(61,929)	(47,644)
<b>Gross profit</b>		<u>103,837</u>	<u>90,934</u>
Net operating expenses	3	(115,758)	(112,269)
<b>Loss on ordinary activities before interest</b>	4	(11,921)	(21,335)
Interest receivable and similar income	5	77	-
<b>Loss before tax</b>		<u>(11,844)</u>	<u>(21,335)</u>
Tax credit on loss on ordinary activities	6	3,312	3,867
<b>Loss for the year</b>		<u>(8,532)</u>	<u>(17,468)</u>

There have been no recognised gains or losses in the year other than the loss for the year and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities and the loss for the year stated above and their historical cost equivalents.

The loss on ordinary activities shown above arose entirely from continuing operations.

## Balance sheet as at 30 April 1999

	Notes	1999 £	1998 £
<b>Current assets</b>			
Debtors	7	60,060	53,633
Cash at bank		2,720	5,410
		<u>62,780</u>	<u>59,043</u>
<b>Creditors: amounts falling due within one year</b>		<u>(88,680)</u>	<u>(76,411)</u>
<b>Net (liabilities)</b>	7	<u>(25,900)</u>	<u>(17,368)</u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss account	9	(26,000)	(17,468)
<b>Equity shareholders' funds</b>	10	<u>(25,900)</u>	<u>(17,368)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 9 were approved by the board of directors on 11 November 1999 and were signed on its behalf by



**Director**

**Notes to the financial statements  
for the year ended 30 April 1999****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies of the company, which have been applied consistently, is set out below:

**Basis of accounting**

The financial statements have been prepared in accordance with the historical cost convention.

**Deferred taxation**

Provision is made for deferred taxation at the rate of corporation tax expected to be in force when the liability crystallises (the liability method), except in respect of any timing differences which are likely to continue in the foreseeable future.

**Turnover**

Turnover which excludes value added tax, represents the value of goods and services provided during the year.

**Finance and operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements, which transfer to the company substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element on the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

**Stock and work in progress**

Stock and work in progress is stated at the lower of cost and net realisable value. Where necessary provision is made for obsolete, slow moving and defective stock.

**Cashflow statement**

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cashflow statement.

**2 Turnover**

Turnover, which relates solely to the principal activity of the company, arose entirely within the United Kingdom.

**3 Net operating expenses**

Net operating expenses are made up as follows:

	1999	1998
	£	£
Distribution costs	33,180	24,642
Administrative expenses	82,578	87,627
	<u>115,758</u>	<u>112,269</u>

**4 Loss on ordinary activities before taxation**

The loss for the year before taxation is stated after charging:

	1999	1998
	£	£
Auditors' remuneration	<u>1,950</u>	<u>1,850</u>

**5 Interest receivable and similar charges**

	1999	1998
	£	£
Bank interest	<u>77</u>	<u>-</u>

**6 Taxation credit on loss on ordinary activities**

	1999	1998
	£	£
United Kingdom corporation tax credit at 21% (1998: 25%)		
Current year	<u>3,312</u>	<u>3,867</u>

There is no actual or potential liability for deferred tax.



**7 Net current (liabilities)\assets**

	1999	1998
	£	£
Debtors (due within one year)		
Trade debtors	60,060	53,633
Cash at bank and in hand	2,720	5,410
<b>Creditors: amounts due within one year:</b>		
Amounts due to fellow subsidiary	87,490	75,151
Other creditors	1,190	714
Taxation and social security	-	546
	88,680	76,411
<b>Net current (liabilities)</b>	<b>(25,900)</b>	<b>(17,368)</b>

**8 Called up share capital**

	1999	1998
<b>Authorised</b>		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid</b>		
100 ordinary shares of £1 each	100	100

**9 Profit and loss account**

	1999	1998
	£	£
At 1 May 1998	(17,468)	-
Loss for the year	(8,532)	(17,468)
At 30 April 1999	(26,000)	(17,468)

**10 Reconciliation of movements in shareholders' funds**

	1999	1998
	£	£
Opening shareholders' funds	(17,368)	100
Loss for the financial year	(8,532)	(17,468)
Closing shareholders' funds	<u>(25,900)</u>	<u>(17,368)</u>

**11 Related party transactions**

The directors have taken advantage of the exemptions available under FRS8 not to disclose transactions that have occurred with group companies where ownership exceeds 90%.

**12 Ultimate holding company**

The company is a wholly owned subsidiary company of Brass Tacks Publishing Group Limited. Copies of the annual financial statements of the parent company can be obtained from the registered office at 143 Charing Cross Road, London WC2H OEE.

The directors regard Mr W K Conchie as being the ultimate controlling party by virtue of his control over the majority of the shares in the parent company, Brass Tacks Publishing Group Limited.