

Company Registration No. 2197708

European Magazines Limited

Report and Financial Statements

for the year ended 31 December 2019



Registered Office: Quay House, The Ambury, Bath, BA1 1UA

Contents

	Page
<i>Directors and registered office</i>	1
<i>Director's report</i>	2
<i>Statement of directors' responsibilities in respect of the financial statements</i>	3
<i>Statement of comprehensive income</i>	4
<i>Statement of financial position</i>	5
<i>Statement of changes in equity</i>	6
<i>Notes to the financial statements</i>	7-11

European Magazines Limited

Directors and registered office

Directors

R Addison

Registered Office

Quay House,
The Ambury,
Bath
BA1 1UA

Director's report

The director presents the annual report and the unaudited financial statements for the year ended 31 December 2019.

Business review

The principal activity of the company was magazine and on line publishing in respect of the Marie Claire brand in the UK. Turnover continued to decrease and a decision was taken to close the print magazine. TI Media Limited which held 50% of the company, acquired the other 50% holding from Saint Jean Enterprises Limited on 30 September 2019 in order to develop the digital assets of the brand. The digital trade was transferred to TI Media Limited on 1 October 2019 and the company ceased to trade with the remaining liabilities having been settled or waived by the shareholders.

Dividends

No interim dividends were paid during the year (2018: £nil). No final dividend is proposed (2018: £nil).

Directors

R Addison	
A C Davies	(resigned 30 September 2019)
J Southall-Davut	(resigned 30 September 2019)
J M M de Boisodeffre	(resigned 30 September 2019)
A de Contades	(resigned 30 September 2019)
E Leurquin	(resigned 30 September 2019)
M A Rich	(resigned 26 June 2020)

Going concern

As the company has ceased trading with no liabilities or continuing obligations, the director considers that it is appropriate to prepare the financial statements on a going concern basis.

Post balance sheet events

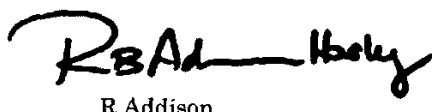
On 20 April 2020 Future Holdings 2002 Limited, a subsidiary of Future plc, completed the acquisition of Sapphire Topco Limited and its subsidiaries including European Magazines Limited.

Directors' indemnity

The company has granted indemnities to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. This qualifying third party indemnity provision was in force throughout the year and remains in force as at the date of approving the directors' report.

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the director on 18 November 2020



R Addison

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law).

Under company law, the directors 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 period. In preparing these financial statements, the directors are required to:

- . select suitable accounting policies and then apply them consistently;
- . make judgements and accounting estimates that are reasonable and prudent;
- . state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- . 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 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

European Magazines Limited

Statement of comprehensive income
for the year ended 31 December 2019

		Year ended 31 December 2019	Year ended 31 December 2018
	Note	£'000	£'000
Turnover		4,640	7,404
Raw materials and consumables		(282)	(467)
Other operating expenses		(3,649)	(5,358)
Staff costs		(2,226)	(2,624)
Operating loss	2	(1,517)	(1,045)
Gain on disposal of licence rights	2	1,000	-
Loss on ordinary activities before taxation		(517)	(1,045)
Tax on loss	3	-	(56)
Loss and total comprehensive expense for the year		(517)	(1,101)

All activities relate to discontinued operations.

European Magazines Limited

Company registration number: 2197708

Statement of financial position

As at 31 December 2019


		31 December 2019	31 December 2018
	Note	£'000	£'000
Current assets			
Stocks	5	-	26
Debtors: amounts falling due within one year	6	48	1,988
Cash at bank and in hand		30	667
		<u>78</u>	<u>2,681</u>
Creditors: amounts falling due within one year	7	<u>(78)</u>	<u>(2,164)</u>
Total net assets		<u>-</u>	<u>517</u>
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account		-	517
Equity shareholder's funds		<u>-</u>	<u>517</u>

The company is entitled to exemption from audit under section 479A of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the director on 18 November 2020.


R Addison
Director

The notes on pages 7 to 11 form an integral part of these financial statements.

European Magazines Limited

Statement of changes in equity
for the year ended 31 December 2019

	Called-up share capital £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2018	-	1,618	1,618
Loss for the year	-	(1,101)	(1,101)
At 31 December 2018	-	517	517
Loss for the year	-	(517)	(517)
At 31 December 2019	-	-	-

The notes on pages 7 to 11 form an integral part of these financial statements.

**Notes to the financial statements
for the year ended 31 December 2019**

1 Accounting policies

Statement of compliance

European Magazines Limited is a limited liability company incorporated in England. The registered office is Quay House, The Ambury, Bath, BA1 1UA.

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) as applied to small entities by section 1A of the standard and with the Companies Act 2006.

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

As the company has ceased trading with no continuing obligations, the director considers that it is appropriate to prepare the financial statements on a going concern basis.

The financial statements are prepared in pounds sterling, which is the functional currency of the company, and are rounded to the nearest thousand.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements.

Revenue

Circulation revenue is recognised net of expected returns. The calculation of expected returns is based on historical data on the return rates.

Advertising revenue is recognised net of volume rebates. The calculation of rebates is based on management's best estimate of expected sales volumes.

Taxation

The company establishes provisions based on reasonable estimates.

Revenue recognition

Turnover represents amounts derived from the principal activities of the company in magazine and digital publishing and is stated after deduction of trade discounts, retail display allowances and VAT. All material activity relates to UK revenue.

Turnover for print magazines is recognised when the magazine becomes available for sale. Digital revenue and other revenue including event management is recognised when the services are delivered.

Employee benefits

The company operated a defined contribution plan for its employees. The pension cost charged to the income statement represents contributions payable by the company when they fall due in accordance with the rules of the scheme. *Once the contributions have been paid, the company has no further obligations. The assets of the plan are held separately from the company in an independently administered fund.*

Notes to the financial statements (continued)
for the year ended 31 December 2019

1 Accounting policies (continued)

Taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year and is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are charged to the income statement.

Stocks

Stocks are stated at the lower of cost and net realisable value. Stock includes all costs incurred in bringing each product to its present location and condition.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at the transaction price. Any losses arising from impairment are recognised in other operating expenses.

2 Exceptional charges and credits

	2019 £'000	2018 £'000
The loss is stated after (crediting)/charging:		
Waiver of debt by parent company, TI Media Limited	(293)	-
Waiver of debt by former shareholder, Saint Jean Enterprises Limited	(200)	-
Severance related costs	1,048	-
Gain on disposal of digital rights to TI Media Limited	<u>(1,000)</u>	<u>-</u>

Up until 30 September 2019 the company was jointly owned by TI Media Limited and Saint Jean Enterprises Limited. On closure of the print magazine operations and transfer of the digital rights to TI Media Limited, the liabilities of the company were settled by contributions from the two former joint owners.

Notes to the financial statements (continued)
for the year ended 31 December 2019

3 Tax on loss

	2019 £'000	2018 £'000
a) The charge is made up as follows:		
Current tax		
UK Corporation tax at 19% (2018: 19%)	-	-
Total current tax charge	-	-
Deferred tax		
Origination and reversal of timing differences	-	28
Under provision for prior years	-	28
Total deferred tax charge	-	56
Total tax charge on loss	-	56

b) Circumstances affecting total tax charge

The tax assessed on the loss on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

Loss on ordinary activities before tax	(517)	(1,045)
Tax on loss on ordinary activities at standard rate	(98)	(199)
Factors affecting charge:		
Disallowable expenses	1	5
Gain on disposal and loan waiver not taxed	(246)	-
Tax under provided in previous years	-	28
Consortium relief surrendered for nil consideration	279	-
Effect of differing corporation tax and deferred tax rate	-	(3)
Tax losses not recognised	64	225
Total tax charge (note a) above	-	56

4 Staff numbers

	2019	2018
Monthly average number of persons employed		
	Number	Number
Editorial	16	24
Other	1	2
	17	26

European Magazines Limited

Notes to the financial statements (continued)
for the year ended 31 December 2019

5 Stocks

	31 December 2019 £'000	31 December 2018 £'000
Raw materials and consumables	-	26

6 Debtors

	31 December 2019 £'000	31 December 2018 £'000
Debtors' amounts falling due within one year		
Trade debtors	43	1,581
Other debtors	5	355
Corporation tax	-	52
	<u>48</u>	<u>1,988</u>

7 Creditors' amounts falling due within one year

	31 December 2019 £'000	31 December 2018 £'000
Trade creditors	-	1,937
Amounts owed to group undertakings	4	-
Other creditors	74	9
Deferred income	-	218
	<u>78</u>	<u>2,164</u>

8 Share capital

	31 December 2019 £	31 December 2018 £
Called up, allotted and fully paid:		
50 A Ordinary shares of £1 each	50	50
50 B Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

'A' and 'B' Ordinary shareholders are entitled to vote at general meetings of the company.

'A' and 'B' Ordinary shareholders rank pari passu in respect of dividends.

Notes to the financial statements (continued)
for the year ended 31 December 2019

9 Ultimate parent undertaking

TI Media Limited is the immediate parent company and Sapphire Topco Limited was the ultimate parent company in the group as of 31 December 2019. Sapphire Topco Limited prepares publicly available consolidated financial statements which include the company. Copies of the Sapphire Topco Limited consolidated financial statements can be obtained from Quay House, The Ambury, Bath, England, BA1 1UA.

Epiris GP Limited, registered in Jersey controls the Epiris Fund II which held the majority of the shares in Sapphire Topco Limited until it was acquired by Future plc on 20 April 2020. No party has a controlling beneficial interest in the company.