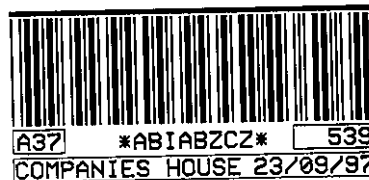


**PUBLISHING QUALIFICATIONS BOARD**  
(A Company Limited by Guarantee)

**Company No. 2607034**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST DECEMBER 1996**



**Publishing Qualifications Board**  
**Company Information**

|                    |   |
|--------------------|---|
| Directors          | Dag Smith<br>Clive Bradley  |
| Secretary          | Dag Smith   |
| Company Number     | 2607034 (England and Wales)   |
| Registered Charity | 1002928   |
| Registered Office  | 45 East Hill<br>Wandsworth<br>London<br>SW18 2QZ                        |
| Auditors           | E.R. McNairn & Co<br>10 Gloucester Place<br>Windsor<br>Berks<br>SL4 2AJ |
| Business Address   | 45 East Hill<br>Wandsworth<br>London<br>SW18 2QZ                        |

## **Publishing Qualifications Board Contents**

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# **Publishing Qualifications Board**

## **Report of the Directors**

The directors present their report and the financial statements for the year ended 31st December 1996.

### **Principal Activities and Review of the Business**

The principal activity is the administering, validating and awarding of national qualifications in the book and journal publishing industry acting as an awarding body.

The PQB is administered by 3 founder member organisations, the Publishers Association, Book House Training Centre and The Independent Publishers Guild who between them nominated nine representatives to act as directors and who in turn have nominated other individuals acting as members of the Board. The PQB is recognised by the National Council for Vocational Qualifications (NCVQ) as a bona fide awarding body.

Due to the poor trading results and, the loss of a major sponsor and thus of future donated income, the directors decided that the company should cease trading and this decision was implemented on 31st December 1995.

Despite this decision, the company's accounts have been prepared on a going concern basis since the directors believe that:

1. It would not be cost effective to attempt to adopt a break-up basis and
2. The adoption of a break-up basis would not create a materially different result.

**As at the 1st January 1996 the company is dormant.**

### **Results and Dividends**

The results for the year are set out on page 4.

### **Fixed Assets**

Details of movements in fixed assets during the year are set out in note 5 to the financial statements.

### **Directors and their Interests**

The directors who served during the year and had no interests were as stated below:

Clive Bradley  
Dag Smith

### **Auditors**

The directors propose the election of ER McNairn & Co as Auditors

By order of the Board



Dag Smith  
Secretary

45 East Hill  
Wandsworth  
London SW18 2QZ

## **Publishing Qualifications Board Statement of Directors' Responsibilities**

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state 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 then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 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' Report to the Members of Publishing Qualifications Board

We have audited the financial statements on pages 4 and 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### 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.

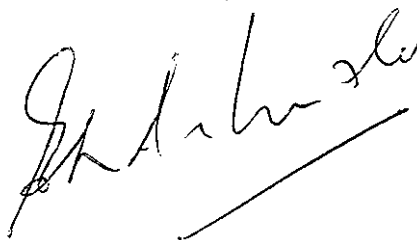
### Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence 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 companies 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 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 31st December 1996 and of its results for the year then ended with the Companies Act 1985.



19/Sept 1997

E.R McNairn & Co

10 Gloucester Place  
Windsor  
Berks  
SL4 2AJ

**Publishing Qualifications Board**  
**Profit and Loss Account**  
**For the Year ended 31st December 1996**

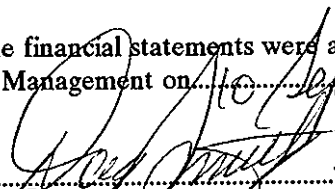
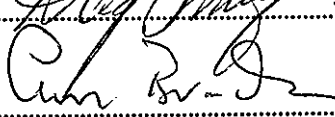
|  | Note | 1996<br>£ | 1995<br>£       |
|--|------|-----------|-----------------|
| <b>Turnover</b>                                    | 2    | -         | 3,705           |
| Cost of sales                                      |      | -         | (2,453)         |
| <b>Gross Profit/(Loss)</b>                         |      | -         | 6,158           |
| Administrative expenses                            |      | ( )       | (17,244)        |
| Other operating income                             |      | -         | <u>5,000</u>    |
| <b>Operating Loss</b>                              | 3    | -         | ( 6,086)        |
| Other interest receivable and similar income       | 4    | -         | <u>70</u>       |
| <b>Loss on Ordinary Activities before Taxation</b> | 10   | -         | <u>( 6,016)</u> |

There are no recognised gains and losses other than the loss for the year.

**Publishing Qualifications Board  
Balance Sheet at 31st December 1996**

|  | Note | 1996<br>£         | 1996<br>£         | 1995<br>£         | 1995<br>£         |
|--|------|-------------------|-------------------|-------------------|-------------------|
| <b>Fixed Assets</b>                            |      |                   |                   |                   |                   |
| Tangible assets                                | 5    |                   |                   | -                 | -                 |
| <b>Current Assets</b>                          |      |                   |                   |                   |                   |
| Debtors  | 6    | -                 |                   | -                 |                   |
| Cash at bank and in hand                       |      | <u>          </u> |                   | <u>          </u> |                   |
|  |      | -                 |                   |                   |                   |
| Creditors: Amounts falling due within one year | 7    | <u>          </u> |                   | <u>          </u> |                   |
| Net Current Assets                             |      |                   | -                 |                   | -                 |
|  |      |                   | <u>          </u> |                   | <u>          </u> |
|  |      |                   | -                 |                   | -                 |
| Net Assets                                     |      |                   | <u>          </u> |                   | <u>          </u> |
| <b>Capital and Reserves</b>                    |      |                   |                   |                   |                   |
| Profit and Loss account                        | 9    |                   | -                 |                   | -                 |
| Shareholders' funds                            | 10   |                   | <u>          </u> |                   | <u>          </u> |
|  |      |                   | <u>          </u> |                   | <u>          </u> |

The financial statements were approved by the Board of Management on 10 September 1997

.....  
  
.....  
  
.....

Members of the Board  
of Management



**Publishing Qualifications Board**  
**Notes to the Financial Statements**  
**For the year ended 31st December 1996**

**1. Accounting Policies**

**Accounting Basis and Standards**

The financial statements have been prepared under the historical cost convention and include the results of the company's operations as indicated in the director's report. The company met its day to day working capital requirements primarily from externally donated income. In the financial year ended 31st December 1994 and the year ended 31 December 1995 this income was £21,250 and £5,000 respectively. The directors forecast of income from all sources is that it will be inadequate to meet the company's operating costs. The directors therefore decided that the company should cease trading and this took effect on 31st March 1995.

**Turnover**

Turnover represents amounts receivable for goods and services provided in the UK net of value added tax (where applicable).

**Tangible Fixed Assets and Depreciation**

Tangible Fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                                  | <b>OLD POLICY</b>   | <b>NEW POLICY</b>   |
|----------------------------------|---------------------|---------------------|
| Office equipment                 | - 20% straight line | - 32% straight line |
| Fixtures, fittings and equipment | - 10% straight line | - 60% straight line |

**Pensions**

The pension costs charged in the financial statements represents the contributions payable by the company during the year in accordance with SSAP 24.

**Deferred Taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation purposes except to the extent that the directors consider that a liability to taxation to crystallise.

The financial statements have been prepared on a going concern basis despite the fact the company ceased trading on 31st March 1995. The directors consider that any adjustments which would be required if the accounts were to be prepared on a break up basis would be immaterial.

**2. Turnover**

Turnover and profit before tax are derived from the principal activity of the company.

**3. Operating Loss**

|  | <b>1996</b> | <b>1995</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Operating loss is stated after charging: |             |             |
| Depreciation of tangible assets          | -           | 1,722       |
| Auditors' remuneration                   | -           | 1,100       |

**Publishing Qualification Board**  
**Notes to the Financial Statements**  
**For the Year ended 31st December 1996 (Continued)**

|          |   |                     |  |       |
|----------|---|---------------------|--|-------|
| <b>4</b> | <b>Other Interest Receivable and Similar Income</b>       | <b>1996</b>         | <b>1995</b>                            |       |
|          |   | £                   | £                                      |       |
|          | Bank Interest received                                    | -                   | 70                                     |       |
| <b>5</b> | <b>Tangible Assets</b>                                    |                     |  |       |
|          |   | office<br>Equipment | Fixtures,<br>Fittings and<br>Equipment | Total |
|          | Cost  | £                   | £                                      | £     |
|          | At 1st January 1996 and<br>31st December 1996             | -                   | -                                      | -     |
|          | Depreciation  |                     |  |       |
|          | At 1st January 1996                                       | -                   | -                                      | -     |
|          | Charge for period   | -                   | -                                      | -     |
|          |   | -----               | -----                                  | ----- |
|          | At 31st December 1996                                     | -                   | -                                      | -     |
|          |   | -----               | -----                                  | ----- |
|          | Net Book Value  | -                   | -                                      | -     |
|          | At 31st December 1996                                     | -                   | -                                      | -     |
|          |   | -----               | -----                                  | ----- |
|          | At 31st December 1995                                     | -                   | -                                      | -     |
|          |   | -----               | -----                                  | ----- |
| <b>6</b> | <b>Debtors</b>  | <b>1996</b>         | <b>1995</b>                            |       |
|          | Trade debtors   | -                   | -                                      |       |
|          | Other debtors   | -                   | -                                      |       |
|          |   | -----               | -----                                  |       |
|          |   | -                   | -                                      |       |
| <b>7</b> | <b>Creditors: Amounts falling due<br/>within one year</b> | <b>1996</b>         | <b>1995</b>                            |       |
|          | Trade creditors   | -                   | -                                      |       |
|          | Taxes and social security costs                           | -                   | -                                      |       |
|          | Pensions creditor   | -                   | -                                      |       |
|          | Accruals and deferred income                              | -                   | -                                      |       |
|          |   | -----               | -----                                  |       |

**Publishing Qualification Board**  
**Notes to the Financial Statements**  
**For the Year ended 31st December 1996 (Continued)**

**8 Pension Cost**

The company operated a defined contribution scheme for the benefit of the employees. The assets of the scheme are administered by Trustees in an independent fund.

| <b>9 Profit and Loss Account</b>                             | <b>1996</b> | <b>1995</b> |
|--|-------------|-------------|
| Retained profits at 1st January 1996                         | -           | 6,016       |
| Retained (loss) profit for the 12 months period              | -           | (6,016)     |
|  | -----       | -----       |
|  | -           | -           |
| Retained profits at 31st December 1996                       | -----       | -----       |
| <b>10 Reconciliation of Movements in Shareholders' Funds</b> | <b>1996</b> | <b>1995</b> |
| Loss/(profit) for the financial year                         | -           | (6,016)     |
| Opening shareholders' funds                                  | -           | 6,016       |
|  | -----       | -----       |
| Closing shareholders' funds                                  | -           | -           |
|  | -----       | -----       |

**11 Directors' Emoluments**

None of the directors received any remuneration from the company for the year.

| <b>12 Employees</b>  | <b>1996</b> | <b>1995</b> |
|--|-------------|-------------|
| The average weekly number of employees<br>(excluding directors) during the period was: |             |             |
| Administration   | -           | 1           |
|  | <b>1996</b> | <b>1995</b> |
| Employment Costs:  |             | £           |
| Wages and salaries   | -           | 5,687       |
| Social security costs  | -           | 580         |
| Other pension costs  | -           | 569         |
|  | -----       | -----       |
|  | -           | 6,836       |