

# **Avon Phototypesetting Limited**

## **Directors' report and financial statements**

**Period from incorporation on 28 February 1994  
to 2 April 1995**

**Registered number 2902986**



# Avon Phototypesetting Limited

## Directors' report and financial statements

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# Avon Phototypesetting Limited

## Directors' report

The directors present their annual report and the audited financial statements for the period from incorporation to 2 April 1995.

### Principal activities

The principal activity of the company throughout the period was to undertake contract typesetting and reprographic work.

### Incorporation

On 28 February 1994 the company was incorporated as Acraman (103) Limited. On 27 April 1994 the company changed its name to Avon Phototypesetting Limited.

### Business review

The company began trading on 3rd April 1994 following the acquisition of the business of the partnership Avon Typesetting Studios and has grown throughout the period and the directors believe this expansion will continue.

### 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 and 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

### Proposed dividend and transfer to reserves

The directors recommend the payment of a dividend of £100 per share giving a net total of £20,000.

The profit for the period retained in the company is £19,309.

# Avon Phototypesetting Limited

## Directors' report

### Directors and directors' interests

The directors who held office during the period were as follows:

P Newton  
S Hodgson  
M Gwyther  
L Hunnings

The directors held the following beneficial interest in the shares of the company.

	Class of share	Interest at end of period	
		No of shares	
P Newton	Ordinary	49	
M Gwyther	Ordinary	49	
		—	
		98	
		—	

### Income and Corporation Taxes Act 1988

The company is a close company under this Act.

### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**S Hodgson**  
*Director*

Auto Trader House  
Reading  
Berkshire  
RG6 4UT



Arlington Business Park  
Theale  
Reading  
RG7 4SD

## Report of the auditors' to the members of Avon Phototypesetting Limited.

We have audited the financial statements on pages 4 to 12.

### *Respective responsibilities of directors and auditors*

As described on page 2 the company's directors are responsible for the preparation of 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 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 as at 2 April 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG  
Chartered Accountants  
Registered Auditors

19 December 1995

# Avon Phototypesetting Limited

## Profit and loss account for the period ended 2 April 1995

		Period from incorporation on 28 February 1994 to 2 April 1995 £
Turnover	2	664,005
Cost of sales		(388,463)
		<hr/>
Gross profit		275,542
Administration expenses		(184,581)
Distribution costs		(14,214)
Interest payable and similar charges	6	(18,076)
Interest receivable and other income		-
		<hr/>
Profit on ordinary activities before taxation	3	58,671
Tax on profit on ordinary activities	7	(19,362)
		<hr/>
Profit for the financial period after taxation		39,309
Dividends proposed		(20,000)
		<hr/>
Retained profit for the financial period		19,309
		<hr/>
Statement of retained profit		
At beginning of period		-
Retained profit for period		19,309
		<hr/>
At end of period		19,309
		<hr/>

There are no recognised gains or losses other than those shown above.

# Avon Phototypesetting Limited

## Balance sheet at 2 April 1995

	Note	2 April 1995 £	£
<b>Fixed assets</b>			
Tangible fixed assets	8		262,971
<b>Current assets</b>			
Stocks - consumables		3,060	
Debtors	9	104,237	
		<hr/>	
		107,297	
<b>Creditors: amounts falling due within one year</b>	10	(237,252)	
		<hr/>	
<b>Net current liabilities</b>			(129,955)
<b>Total assets less current liabilities</b>			133,016
<b>Creditors: amounts falling due after more than one year</b>	11		(111,332)
Provisions for liabilities and charges	12		(2,175)
			<hr/>
<b>Net assets</b>			19,509
			<hr/>
<b>Capital and reserves</b>			
Called up share capital	14		200
Profit and loss account			19,309
			<hr/>
			19,509
			<hr/>

These financial statements were approved by the board of directors on 19/12/95 and were signed on its behalf by:

  
S Hodgson  
Director

# Avon Phototypesetting Limited

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

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

#### *Depreciation*

Provision is made for depreciation on a straight line basis at rates designed to write off the original cost of the assets over their useful lives as follows:

Motor vehicles	-	4 years
Plant and machinery	-	5 years
Fixtures & fittings	-	5 years
Computer software	-	3 years
Computer hardware	-	4 years

#### *Taxation*

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

#### *Turnover*

Turnover represents the amounts (excluding value added tax and trade discounts) derived from the provision of goods and services to customers during the period.

#### *Cash flow statement*

Under the provisions of Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement as it is a subsidiary of Hurst Publishing Limited, whose financial statements include a consolidated cash flow statement.

### 2 Analysis of turnover

Turnover is attributable to the principal activity of the company and is earned entirely within the United Kingdom.



# Avon Phototypesetting Limited

## Notes (continued)

### 3 Profit on ordinary activities before taxation

Period ended  
2 April 1995  
£

*Profit on ordinary activities before taxation is stated after charging*

Depreciation on tangible assets	47,326
Auditors' remuneration	2,541
Hire of plant (operating leases)	11,136
Hire of plant (finance leases)	13,477
Profit on disposal of fixed assets	(14,050)

### 4 Remuneration of directors

Period ended  
2 April 1995  
£

Directors' emoluments	<u>69,500</u>
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The emoluments, of the highest paid director were £34,750. The emoluments of the chairman were £nil.

The emoluments, excluding pension contributions, of the directors (including the chairman and highest paid directors) were within the following ranges:

	Number of directors
	Period ended 2 April 1995
£0 - £5,000	2
£30,000 - £35,000	<u>2</u>

# Avon Phototypesetting Limited

## Notes (continued)

### 5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows:

	Number of employees Period ended 2 April 1995
Administration and management	4
Production	35
	<hr/>

The aggregate payroll costs of these persons were as follows:

	Period ended 2 April 1995 £
Wages and salaries	341,480
Social security costs	23,735
Other pension costs	-
	<hr/>
	365,215
	<hr/>

### 6 Interest payable and similar charges

	Period ended 2 April 1995 £
Finance charges on leased assets	13,477
Interest on loans repayable within 5 years	4,599
	<hr/>
	18,076
	<hr/>

# Avon Phototypesetting Limited

## Notes (continued)

### 7 Taxation

	Period ended 2 April 1995 £
UK corporation tax at 33% on the profit for the period on ordinary activities	12,187
Deferred taxation	7,175
	<u>19,362</u>

### 8 Tangible fixed assets

	Motor vehicles £	Plant and machinery £	Fixtures and fittings £	Total £
<i>Cost</i>				
At incorporation	-	-	-	-
Additions	39,630	252,215	18,453	310,298
	<u>39,630</u>	<u>252,215</u>	<u>18,453</u>	<u>310,298</u>
At end of year	<u>39,630</u>	<u>252,215</u>	<u>18,453</u>	<u>310,298</u>
<i>Depreciation</i>				
At incorporation	-	-	-	-
Charge for the year	5,947	38,351	3,029	47,327
	<u>5,947</u>	<u>38,351</u>	<u>3,029</u>	<u>47,327</u>
At end of year	<u>5,947</u>	<u>38,351</u>	<u>3,029</u>	<u>47,327</u>
<i>Net book value</i>				
At 2 April 1995	<u>33,683</u>	<u>213,864</u>	<u>15,424</u>	<u>262,971</u>

# Avon Phototypesetting Limited

Notes (continued)

## 9 Debtors

	2 April 1995
	£
Trade debtors	64,216
Amounts owed by group undertakings	23,152
Prepayments and accrued income	12,311
Other debtors	4,558
	<hr/>
	104,237
	<hr/>
<i>Amounts owed by Group undertakings</i>	
Fellow subsidiaries	23,152
	<hr/>

## 10 Creditors: amounts falling due within one year

	2 April 1995	
	£	£
Bank loans and overdrafts		7,232
Obligations under finance leases and hire purchase contracts		22,946
Trade creditors		40,584
Amounts owed to group undertakings		98,526
Other creditors including taxation and social security		
Corporation tax	12,187	
Other taxes and social security	14,428	
Other creditors	16,837	
Proposed dividend	20,000	
	<hr/>	
		63,452
Accruals		4,512
		<hr/>
		237,252
		<hr/>
<i>Amounts owed to group undertakings comprises:</i>		
Parent company		97,276
Fellow subsidiary		1,250
		<hr/>
		98,526
		<hr/>

# Avon Phototypesetting Limited

Notes (continued)

## 11 Creditors: amounts falling due after more than one year

	2 April 1995 £
Amounts owed to parent company	52,182
Obligations under finance leases and hire purchase contracts	59,150
	<u>111,332</u>

Obligations under finance leases and hire purchase contracts are payable within 5 years.

## 12 Provisions for liabilities and charges

The amount provided for deferred taxation, which is the full potential liability, is set out below:

	2 April 1995 £
Accelerated capital allowances	8,692
Other timing differences	(1,517)
	<u>7,175</u>
ACT recoverable	(5,000)
	<u>2,175</u>

## 13 Reconciliation of movements in shareholders' funds

	2 April 1995 £
Opening shareholders' funds	-
Shares subscribed during the year	200
Profit for the financial year	19,309
	<u>19,509</u>
Closing shareholders' funds	

# Avon Phototypesetting Limited

Notes (*continued*)

## 14 Called up share capital

	2 April 1995
	£
<i>Authorised</i>	
Ordinary shares of £1 each	200
	<hr/>
<i>Allotted, called up and fully paid</i>	200
Ordinary shares of £1 each	<hr/>

During the year 200 ordinary shares were issued for cash at par.

## 15 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary undertaking of Hurst Publishing Limited which is the ultimate parent company, a company registered in England and Wales. The financial statements of the group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF4 3UZ.