

# **The Business Publishing Limited**

**(Registered Number: 3422257)**

## **Report and Financial Statements**

**For the Year Ended 31 December 2010**



# **The Business Publishing Limited**

## **Report of the Directors for the Year Ended 31 December 2010**

The directors present their report and the audited financial statements of the company the year ended 31 December 2010

### **Principal activities and future developments**

The Company's principal activity was the publication of The Spectator Business Magazine  
The company ceased trading at the end of 2010

### **Review of business and results**

The Company recorded a loss before tax and interest for the period of £407,000 (2009 £509,000)

The directors recommend that no dividend is paid in the year (2009 nil) and that the loss for the year be transferred to reserves

### **Business environment and principal risks and uncertainties**

The Company operated in a competitive marketplace. The management of the business and the execution of the Company's strategy were subject to a number of risks

### **Key performance indicators ("KPIs")**

The Company's directors used performance indicators such as circulation levels, turnover and operating profit to assess the development, performance or position of the business

### **Directors and directors' interests**

The directors who served during the period were

A S Barclay  
R K Mowatt  
P L Peters  
M Seal

The Company's articles of association do not require the retirement of directors by rotation or the re-election at a general meeting of directors appointed by the board

None of the directors had a beneficial interest in any contract to which the company was a party during the year

# **The Business Publishing Limited**

## **Report of the Directors for the Year Ended 31 December 2010** (Continued)

### **Statement of Directors' responsibilities**

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 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 UK 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 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 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Statement of director's disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant information and to establish that the company's auditors are aware of that information.

# **The Business Publishing Limited**

## **Report of the Directors for the Year Ended 31 December 2010** (Continued)

### **Financial risk management**

The directors consider that the company's key financial instruments are cash and intercompany balances from other group companies. Financial exposures exist to the extent that a change in the underlying base rate of interest will affect the level of income received or paid on any cash balances, overdrafts. This risk is not considered material and thus the company does not employ the use of hedging instruments.

### **Auditors**

A resolution to reappoint the auditors, PricewaterhouseCoopers LLP, will be proposed at the annual general meeting.

By Order of the Board  
For and on behalf of Broomfield Secretarial Services Limited  
Company Secretary



**M. Seal**  
**Director**  
11<sup>th</sup> April 2011

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BUSINESS PUBLISHING LTD**

We have audited the financial statements of The Business Publishing Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes for The Business Publishing Limited. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement (set out on page 2) the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Simon O'Brien (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
11<sup>th</sup> April 2011

# The Business Publishing Limited

## Profit and Loss Account for the Year Ended 31 December 2010

		2010 £'000	2009 £'000
<b>Turnover</b>		206	276
Cost of sales		(328)	(413)
<b>Gross Loss</b>		<u>(122)</u>	<u>(137)</u>
Distribution		(43)	(72)
Administrative expenses		(242)	(300)
<b>Operating Loss</b>		<u>(407)</u>	<u>(509)</u>
<b>Loss on ordinary activities before taxation</b>	2	<u>(407)</u>	<u>(509)</u>
Taxation on (loss) on ordinary activities	3	-	-
<b>Loss for the financial year</b>		<u><u>(407)</u></u>	<u><u>(509)</u></u>

Results for the period arise from continuing operations

There have been no recognised gains or losses other than the profit for the financial period as stated above. The historical cost profit and loss is the same as that shown above.

The notes on pages 8 to 13 form part of these financial statements.

# The Business Publishing Limited

Balance Sheet as at 31 December 2010  
(registered no: 3422257)

	Note	2010 £'000	2009 £'000
<b>Fixed assets</b>			
Tangible assets	5	-	5
<b>Current assets</b>			
Debtors	6	59	526
Cash at bank and in hand		53	8
		<u>112</u>	<u>534</u>
Creditors - amounts falling due within one year	7	(483)	(503)
<b>Net current assets/(liabilities)</b>		<u>(371)</u>	<u>31</u>
<b>Net assets/(liabilities)</b>		<u>(371)</u>	<u>36</u>
<b>Capital and reserves</b>			
Called up share capital	8	70,000	70,000
Profit and loss account	9	(70,371)	(69,964)
<b>Equity shareholders' funds/(deficit)</b>	10	<u>(371)</u>	<u>36</u>

The financial statements on pages 6 to 13 were approved by the board of directors on 11<sup>th</sup> April 2011 and were signed on its behalf by



M Seal  
Director



R K Mowatt  
Director



# The Business Publishing Limited

Notes to the Financial Statements Year Ended 31 December 2010

## 1 Principal Accounting Policies

The principal accounting policies, which have been applied on a consistent basis, are set out below

### (a) Basis of preparation

The financial statements have been prepared under Generally Accepted Accounting Principles in the UK on a going concern basis and in accordance with Companies Act 2006, under the historical cost convention which have been consistently applied

### (b) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

### (c) Turnover

Turnover represents advertising space and related goods and services and is stated net of commissions and trade discounts, and excludes value-added tax and other sales taxes. Magazine and advertising revenue is recognised on the date of publication.

### (d) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated to write off the cost on a straight-line basis over the expected useful economic lives of the assets, which are as follows:

Fixtures and fittings	3 - 5 Years
Computer equipment	3 - 5 Years

# **The Business Publishing Limited**

**Notes to the Financial Statements Year Ended 31 December 2010**

## **1 Principal accounting policies (continued)**

### **(e) Cash flow**

On the basis the Company is a small company a cash flow statement has not been presented in the financial statements of the company as permitted by paragraph 5f of the revised Financial Reporting Standard 1

### **(f) Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

### **(g) Related party transactions**

All material related party transactions have been disclosed during the period. All related party transactions were undertaken on an arms length basis

# The Business Publishing Limited

Notes to the Financial Statements Year Ended 31 December 2010

## 2 Loss on ordinary activities before taxation

	2010	2009
	£'000	£'000
The loss on ordinary activities before taxation is stated after charging		
Depreciation of tangible fixed assets	5	10
Auditors' remuneration	8	10

## 3 Taxation

	2010	2009
	£'000	£'000
UK corporation tax at 28% (2009 28%)	-	-

The tax assessed for the year is higher (2009 higher) than the standard rate of corporation tax in the UK (28%) (2009 28%) The differences are explained below

Loss on ordinary activities before tax	(407)	(509)
Tax at current rate 28% (2009 28%)	(114)	(142)
Expenses not deductible for tax	-	-
Capital allowances in excess of depreciation	(12)	(15)
Group relief surrendered for nil consideration	126	157
Tax on loss on ordinary activities	-	-

Further reductions to the UK corporation tax rate were announced in the March 2011 Budget The changes, which are expected to be enacted separately each year, propose to reduce the rate by 2% in April 2011, followed by 1% per annum to 23% by 1 April 2014 The changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements

## 4 Employee Information

### (a) Directors Emoluments

None of the director's of the Company received emoluments in respect of their services to the Company in the year (2009 nil)

# The Business Publishing Limited

Notes to the Financial Statements Year Ended 31 December 2010

## (b) Average number of persons employed

The Company has no employees. There is a recharge from The Spectator (1828) Ltd for the resources used of £130,000 (2009 £238,000). See (c) below.

## (c) Employee costs

	2010 £'000	2009 £'000
Wages and salaries	110	206
National insurance contributions	13	23
Pension contributions	7	9
	<u>130</u>	<u>238</u>

## 5 Tangible fixed assets

	Computer Costs £'000	Fixtures and Fittings £'000	Total £'000
<b>Historical Cost:</b>			
At 1 January 2010 and 31 December 2010	67	18	85
At 31 December 2010	<u>67</u>	<u>18</u>	<u>85</u>
<b>Depreciation:</b>			
At 1 January 2010	62	18	80
Charge for the year	5	0	5
At 31 December 2010	<u>67</u>	<u>18</u>	<u>85</u>
<b>Net book value:</b>			
At 31 December 2010	-	-	-
At 1 January 2010	<u>5</u>	<u>-</u>	<u>5</u>

# The Business Publishing Limited

Notes to the Financial Statements Year Ended 31 December 2010

## 6 Debtors

	2010	2009
	£'000	£'000
Trade debtors	57	97
Amount owed by immediate parent company	-	425
Other debtors	2	4
	<u>59</u>	<u>526</u>

The amount owed by the immediate parent company was interest free and repayable on demand. It was repaid during the year.

## 7 Creditors - amounts falling due within one year

	2010	2009
	£'000	£'000
Trade creditors	17	32
Other Taxation and Social Security	-	8
Accruals	4	13
Amounts due to parent holding company	462	-
Amounts due to fellow subsidiaries	-	450
	<u>483</u>	<u>503</u>

The amount owed to the parent holding company is interest free and repayable on demand. There are currently no intentions to see repayment of the loan.

The amounts that were due to the Company's fellow subsidiary The Spectator (1828) Ltd in prior years arose from the settlement of the company's costs by The Spectator (1828) Ltd.

## 8 Called up share capital

	2010	2009
	£'000	£'000
<b>Authorised:</b>		
70,000,000 (2009 70 000) Ordinary shares of £1 each	<u>70,000</u>	<u>70,000</u>
<b>Called up, allotted, and fully paid:</b>		
70,000,000 (2009 70 000) Ordinary shares of £1 each	<u>70,000</u>	<u>70,000</u>

# The Business Publishing Limited

Notes to the Financial Statements Year Ended 31 December 2010

## 9 Profit and loss account

	£'000
At 1 January 2010	(69,964)
Loss for the financial year	(407)
At 31 December 2010	<u>(70,371)</u>

## 10 Reconciliation of movement in shareholders' funds

	2010	2009
	£'000	£'000
Opening shareholders' funds	36	545
Loss for the financial year	(407)	(509)
Closing shareholders' funds	<u>(371)</u>	<u>36</u>

## 11 Related party transactions

The Company has an interest free loan due to Press Holdings Limited, one of the Company's parent Companies. At the year end, the balance on this loan stood at £462,000 (2009 *Loan due from Press Holdings Ltd £425,000*)

## 12 Ultimate controlling party

The immediate parent company is Press Holdings Limited, a company incorporated in Jersey, Channel Islands which the directors regard as being ultimately controlled by the Sir David and Sir Frederick Barclay Family Settlements