

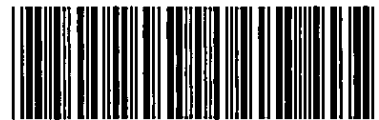
METHUEN PUBLISHING LIMITED

Annual Report

For year ended 31 December 2012

Registered number 3543167

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COMPANIES HOUSE

Methuen Publishing Limited

Report of the directors for the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activities

The principal activity of the company is the publishing of books for sale in the UK and in the principal English speaking countries of the world

Review of business and future developments

In the year to 31 December 2012, the company's trading was slightly better than that of the previous year and further reductions in costs brought an improved result. Revenue for the year at £275,372 produced an operating profit after all charges of £22,633. Back list sales received a boost when Mo Yan was announced as the winner of the Nobel Prize for Literature. We have three of his books in our list. The sales of these books improved but mostly in export markets at eye-watering discounts.

An agreement with Crown Prosecution Service for the surrender of the lease on 8 Artillery Row was finally reached in October 2011. In 2012 we continued to pay sums off the rent arrears but final settlement will not be until the end of 2014. The CPS helped us by agreeing to accept reduced instalments in mid-2013 when our business activity was at its lowest.

The year 2013 has been disappointing and we have struggled to publish the few new titles we have acquired. Much of our editorial resource has been devoted to *The Complete History of The Victoria Cross & The George Cross*, a work of three volumes, in which we have been involved intermittently since 2001 and very much in the last three years. We hope to print the books soon.

Sales in the UK continue to rely on three major customers plus Amazon with just a sprinkling of others. Sales to Scotland and Ireland are negligible and not expected to improve. Our export sales improved in the last quarter of 2012 mainly reflecting orders of Mo Yan's titles. We have embraced ebooks and continue to convert back list titles to electronic versions. Sales of these versions are only modest.

I hope we can maintain our publishing schedules in 2014, which will mark 125 years since Methuen & Co Limited was founded. Though our connection is more than a little tenuous we hope to publish a few books in celebration and to adopt the original name.

Dividends and transfer to reserves

The directors do not propose the payment of a dividend on ordinary shares

Directors and their interests in shares of the company

The directors of the company who held office during the year together with their interests in the 'A' ordinary shares of £0.05 each in the company at 31 December 2012 and 31 December 2011 were as follows

	31 December 2012 Number	31 December 2011 Number
P E Tummons	79,180	79,180

The directors do not hold any options to subscribe for shares in the company

Employee Share Scheme

On 29 June 2000, the company made a loan to the Methuen Publishing Limited Employee Share Scheme of £56,700. The share scheme then purchased 79,180 'A' ordinary shares of £0.05 each in the company. There are outstanding calls on these shares of £22,787.

Charitable and political donations

The company did not make any charitable or political donations during the year.



P E Tummons
27 September 2013

Methuen Publishing Limited

Statement of directors' responsibilities

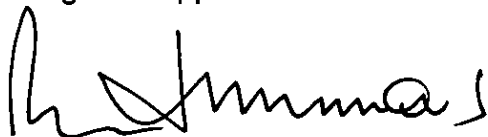
Company Law requires the directors to prepare financial statements for each financial year or period that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2012 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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

The company is a small company as defined by the Companies Act and is not obliged to appoint auditors.

A handwritten signature in black ink, appearing to read 'P E Tummons', is written over the printed name.

P E Tummons
27 September 2013

METHUEN PUBLISHING LIMITED

Profit and loss account for the year ended 31 December 2012

	Notes	2012	2011	2010
		£	£	£
Turnover	2	275,372	272,484	335,141
Cost of sales		<u>-116,966</u>	<u>-100,586</u>	<u>-127,405</u>
Gross profit		158,406	171,898	207,736
Other operating expenses				
Distribution and Selling		-40,046	-48,367	-70,150
Staff costs		-52,252	-53,397	-44,562
Other Administration Costs		<u>-33,350</u>	<u>-55,386</u>	<u>-94,839</u>
Operating profit/(loss)	3	32,758	14,748	-1,815
Interest payable and similar charges	5	-125	0	-5,206
Amortisation	7	-10,000	-10,000	-10,000
Industrial Tribunal Award and Legal Costs			0	0
Profit/(loss) on ordinary activities before taxation		<u>22,633</u>	<u>4,748</u>	<u>-17,021</u>
Taxation	6	<u>0</u>	<u>0</u>	<u>0</u>
Profit/(loss) for the year after taxation		22,633	4,748	-17,021
Appropriations		0	0	0
Profit/(loss) for the year		<u><u>22,633</u></u>	<u><u>4,748</u></u>	<u><u>-17,021</u></u>

METHUEN PUBLISHING LIMITED**Balance sheet
as at 31 December 2012**

	Notes	2012	2011
Fixed assets			
Intangible assets	7	62,200	72,200
Tangible assets	8	1,500	1,500
		<u>63,700</u>	<u>73,700</u>
Current assets			
Stocks	9	40,261	50,253
Debtors	10	171,210	142,310
Cash		6,073	147
		<u>217,544</u>	<u>192,710</u>
Creditors	11	-237,367	-245,166
Net current assets		<u>-19,823</u>	<u>-52,456</u>
Total assets less current liabilities		43,877	21,244
Net assets/(liabilities)		<u><u>43,877</u></u>	<u><u>21,244</u></u>
Capital and reserves			
Called up share capital	13	8,418	8,418
Provisions for liabilities and charges	12	5,634	5,634
Profit and loss account		29,825	7,192
Shareholders' funds	15	<u><u>43,877</u></u>	<u><u>21,244</u></u>

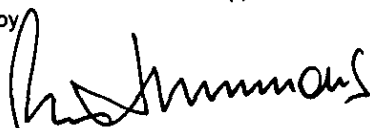
For the year ended 31 December 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

The financial statements attached were approved on 28 September 2013 and were signed by

P E Tummons
Director



2 Turnover

An analysis of turnover by destination is given below

	2012 £	2011 £
United Kingdom	242,459	254,483
Rest of Europe	21,841	7,460
USA	3,636	2,724
Rest of World	7,436	7,817
	<u>275,372</u>	<u>272,484</u>

An analysis of turnover by class of business is given below

	2012 £	2011 £
Sales of publications	234,299	237,020
Other sales	41,073	35,464
	<u>275,372</u>	<u>272,484</u>

3 Operating Profit

	2012 £	2011 £
Operating profit is stated after charging		
Interest payable and similar charges	125	-
Amortisation of Goodwill	10,000	10,000
Operating lease charges - land and buildings	-	16,875
		<u>16,875</u>

4 Other operating expenses

	2012 £	2011 £
Distribution & Selling costs	40,046	48,367
Administration expenses	95,727	108,783
	<u>135,773</u>	<u>157,150</u>

5 Interest payable and similar charges

	2012 £	2011 £
Bank interest payable	5	-
Bank charges	120	-
Other interest	-	-
	<u>125</u>	<u>-</u>

6 Taxation

	2012 £	2011 £
Charge for the year based on ordinary activities	-	-
Total tax on ordinary activities	-	-

7 Intangible fixed assets

	2012 £	2011 £
Goodwill		
Cost brought forward at 1 January 2012	1,547,680	1,547,680
	<u>1,547,680</u>	<u>1,547,680</u>
Amortisation		
As at 1 January 2012	1,475,480	1,465,480
Amortisation	10,000	10,000
Disposal	-	-
	<u>1,485,480</u>	<u>1,475,480</u>
Net book amount at 31 December 2012	<u>62,200</u>	<u>72,200</u>
Net book amount at 31 December 2011	<u>72,200</u>	<u>82,200</u>

8 Tangible fixed assets

	Office Equipment £	Furniture & Fittings £	Total £
Cost			
At 1 January 2012	100,831	22,798	123,629
Additions	-	-	-
At 31 December 2012	<u>100,831</u>	<u>22,798</u>	<u>123,629</u>
Depreciation			
At 1 January 2012	99,331	22,798	122,129
Charge for the year	-	-	-
At 31 December 2012	<u>99,331</u>	<u>22,798</u>	<u>122,129</u>
Net book amount at 31 December 2012	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Net book amount at 31 December 2011	<u>1,500</u>	<u>-</u>	<u>1,500</u>

9 Stocks

	2012 £	2011 £
Work in progress	1,998	2,808
Books for resale	38,263	47,445
	40,261	50,253

10 Debtors

	2012 £	2011 £
Trade debtors	95,839	69,766
Amounts owed by group undertakings	0	2,616
Other debtors	75,371	69,739
Prepayments	0	189
	171,210	142,310

11 Creditors

	2012 £	2011 £
Trade creditors	160,130	136,858
Other taxation and social security payable	1,096	1,481
Other creditors	76,602	106,051
Accruals and deferred income	0	776
	237,828	245,166

	2011 £	2011 £
Bank overdraft (The company has no agreed overdraft)	-	-
Loan notes	-	-
	-	0

12 Provision for liabilities and charges

	Provision for sales returns £
At 1 January 2012	5,634
Release to profit and loss account	-
At 31 December 2012	5,634

13 Authorised and called up share capital

	2012 Number	2012 £	2011 Number	2011 £
Authorised				
'A' ordinary shares of £0.05 each	168,360	8,418	168,360	8,418
'B' ordinary shares of £0.05 each	238,307	11,915	238,307	11,915
'C' ordinary shares of £0.05 each	100	5	100	5
Preference shares of £1.00 each	323,530	323,530	323,530	323,530
	730,297	343,868	730,297	343,868
Allotted, called up and paid				
'A' ordinary shares of £0.05 each	145,573	7,279	145,573	7,279
	145,573	7,279	145,573	7,279
Allotted, called up and not paid				
'A' ordinary shares of £0.05 each	22,787	1,139	22,787	1,139
	22,787	1,139	22,787	1,139
	168,360	8,418	168,360	8,418

14 Share premium account and reserves

	Share premium account £	Profit & loss account £
At 1 January 2012	-	7,192
Profit/(loss) for the year		22,633
At 31 December 2012	-	29,825

Investment in own shares represents 79,180 'A' ordinary shares of £0.05 each held by Methuen Publishing Limited Employee Share Scheme

15 Reconciliation of movements in shareholders' funds/(deficit)

	2012 £	2011 £
Profit/(loss) for the financial period after taxation	22,633	4,748
Deferred liabilities and charges	-	-
Net addition/(deduction) from shareholders' funds	22,633	4,748
Opening shareholders' funds/(deficit)	21,244	16,496
Closing shareholders' funds/(deficit)	43,877	21,244

16 Financial commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	2012 £	2011 £
Land and buildings		
Expiring within two to five years	-	-

17 Deferred taxation

The total potential liability/(asset) of deferred taxation is not considered material