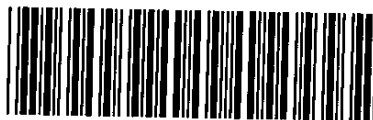


Company Registration No: 5566710

PAVILION BOOKS GROUP LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

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COMPANIES HOUSE

PAVILION BOOKS GROUP LIMITED

COMPANY INFORMATION

DIRECTORS

P Powell
V Grylls

SECRETARY

Z Hanks

COMPANY NUMBER

05566710

REGISTERED OFFICE

43 Great Ormond Street
London
WC1N 3HZ

PAVILION BOOKS GROUP LIMITED

DIRECTORS' REPORT

The director presents her report and financial statements for the Company for the year ended 29 February 2020.

Principal activities

The company has not traded during the year and is not expected to trade in the foreseeable future.

Results and dividends

No dividend was approved and paid during the period (2019: £nil).

Directors

The following director has held office since 1 March 2019:

P Powell
V Grylls

Statement of directors' responsibilities

The director is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director 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 for that period.

In preparing those financial statements, the director is required to:


- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent; and
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. The director is 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.

Audit exemption

For the financial year ended 29 February 2020, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

By order of the Board:


P Powell
Director

25 November 2020

PAVILION BOOKS GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Notes	2020 £	2019 £
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Other operating expenses (net)		-	-
Operating profit		-	-
Other income		-	-
Profit/(Loss) on ordinary activities before interest		-	-
Interest payable and similar charges		-	-
Profit/(Loss) on ordinary activities before taxation 3		-	-
Taxation	5	-	-
Profit/(Loss) on ordinary activities after taxation		-	-
Other comprehensive income		-	-
Retained Profit for the year		-	-

STATEMENT OF FINANCIAL POSITION

AT 29 FEBRUARY 2020

	Notes	2020	2019
		£	£
Fixed assets			
Goodwill	6	-	-
Investments	7	1,042,027	1,042,027
		<u>1,042,027</u>	<u>1,042,027</u>
Current assets			
Debtors	9	217,600	217,600
		<u>217,600</u>	<u>217,600</u>
Current liabilities			
Creditors: amounts falling due within one year	10	(1,274,735)	(1,274,735)
Net current liabilities		<u>(1,057,135)</u>	<u>(1,057,135)</u>
Total assets less current liabilities		<u>(15,108)</u>	<u>(15,108)</u>
Net liabilities		<u>(15,108)</u>	<u>(15,108)</u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	11	(15,208)	(15,208)
Total equity		<u>(15,108)</u>	<u>(15,108)</u>

For the financial year ended 29 February 2020, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the year in question 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 on pages 3 to 12 were approved by the board of directors and authorised for issue on 25 November 2020 and are signed on its behalf by:

Pony Powell

P Powell
Director

PAVILION BOOKS GROUP LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 29 FEBRUARY 2020

	Share capital £	Profit and loss account £	Total £
Balance at 28 February 2018	100	(15,208)	(15,108)
Profit for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Transactions with owners: Dividends paid	-	-	-
Balance at 28 February 2019	<u>100</u>	<u>(15,208)</u>	<u>(15,108)</u>
Profit for the year	-	-	-
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 29 February 2020	<u>100</u>	<u>(15,208)</u>	<u>(15,108)</u>

PAVILION BOOKS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

1. Accounting policies

Company information

Pavilion Books Group Limited ("the Company") is a limited company domiciled and incorporated in England. The address of the company's registered office and principal place of business is 43 Great Ormond Street, London, WC1N 3HZ.

The Company's principal activities are the publication of non-fiction books throughout the world in both physical and digital formats.

1.1 Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

1.2 Consolidated financial statements

The Company has taken advantage of the exemption in section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the Company as a single entity.

1.3 Reduced disclosure

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares.
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches; details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated within the financial statements of Pavilion Books Holdings Limited, which are publicly available from the Companies House, Crown Way, Cardiff, CF14 3UZ.

1.4 Going concern

In view of the deficit of assets at 29 February 2020, the directors have considered the continued application of the going concern basis to these financial statements. The directors have received assurances from other members of the Pavilion Books group that they will not request payment of the amounts due to them by the company unless the company is in a position to pay such amounts without prejudicing its ability to meet its other liabilities as and when they fall due. Pavilion Books Group Limited has also confirmed that it will provide funds to the company if required to enable it to pay its other liabilities. Consequently the directors consider that it remains appropriate to prepare the financial statements on a going concern basis.

PAVILION BOOKS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

1.5 Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the Company.

1.6 Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

1.7 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

1.8 Intangible fixed assets – Goodwill

Goodwill is capitalised and written off evenly over 5 years as in the opinion of the director, this represents the period over which the goodwill is expected to give rise to economic benefits.

1.9 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.10 Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

PAVILION BOOKS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

1.11 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the Company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.12 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in profit or loss.

PAVILION BOOKS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

1.12 Financial instruments (continued)

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Profit/loss on ordinary activities before taxation

The audit remuneration was borne by Pavilion Books Company Limited on behalf of all companies in the group.

PAVILION BOOKS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

4. Employees and directors

There were no employees other than directors.

Directors

The directors received no remuneration for their services to the company (2019: £nil)

5. Taxation

No taxation arises on these financial statements (2019:£nil).

6. Intangible fixed assets - goodwill

Goodwill

Cost:

At 1 March 2019 and 29 February 2020

10,085

Amortisation:

At 1 March 2019 and 29 February 2020

10,085

Net book value:

At 29 February 2020

At 28 February 2019

Goodwill is subject to regular impairment reviews, and as a result of such a review, has now been fully impaired.

7. Fixed asset investments

**Shares in
subsidiary
undertakings**

Cost:

At 1 March 2019 and 29 February 2020

1,042,027

8. Subsidiary undertakings

The subsidiary companies, all of which are wholly owned and incorporated in England, are:

	Principal activity during the year	Class of shares
B.T. Batsford Limited	Non-trading	Ordinary
Collins & Brown Limited	Non-trading	Ordinary
Pavilion Books Limited	Non-trading	Ordinary
David Bennet Books	Non-trading	Preference

The subsidiary companies above have taken the exemption in section 479A of the Companies Act 2006 (the Act) from the requirements in the Act for their individual accounts to be audited.

PAVILION BOOKS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

9. Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by group undertakings	217,500	217,500
Called up share capital not paid	100	100
	<u>217,600</u>	<u>217,600</u>

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	1,274,736	1,274,736
	<u>1,274,736</u>	<u>1,274,736</u>

11. Share capital and reserves

Share capital

	2020 £	2019 £
Allotted, issued and fully paid:		
2 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

Ordinary share rights

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

Reserves

Reserves of the Company represent the following:

Profit and loss account

Cumulative profit and loss net of distributions to owners.

12. Financial commitments

The Company's assets have been charged as security for all amounts owed by members of the Pavilion Books Group to the Group's bankers, Coutts and Company. At 29 February 2020 £1,476,269 (2019: £1,476,269) was owed to Coutts and Company by the Group.

13. Contingent liabilities

The Company is a member of a group VAT registration with all other companies in the Pavilion Books Group and, under the terms of the registration, is jointly and severally liable for the VAT payable by all members of the Group. At 29 February 2020 the Company had no potential liability under the terms of the registration (2019: £Nil).

14. Related party transactions

The company has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

PAVILION BOOKS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

15. Ultimate parent company and ultimate controlling party

The Company's immediate and ultimate parent company is Pavilion Books Holdings Limited, a company incorporated in England and Wales. P Powell, the director, is the ultimate controlling party of Pavilion Books Holdings Limited, and is therefore the ultimate controlling party of the Company.

Pavilion Books Holdings Limited is the ultimate parent, and is the largest company for which consolidated accounts including Pavilion Books Group Limited are prepared. The consolidated financial statements of Pavilion Books Holdings Limited are available from Companies House, Crown Way, Cardiff CF14 3UZ.