

DC Thomson & Company Limited
Directors' report and accounts
31 March 1993
Registered number 5830

31 March 1993
For the year ended 31 March 1993

DC Thomson & Company Limited

Directors' report

Directors' report to the eighty-ninth Annual General Meeting of DC Thomson & Company Limited, to be held at 22 Meadowside, Dundee on 30 November 1993 at 12 noon.

The directors submit the audited accounts of the company and of the group for the year ended 31 March 1993.

Results and dividends

The results for the year and transfer to reserves are set out in the profit and loss account on page 3.

The directors recommend that a final dividend of £3,840,000 be paid, which together with the interim dividend of £600,000 already paid, will make a total of £4,440,000 for the year.

Activities

The principal activities of the group are the printing and publishing of newspapers, magazines and books.

Review of business

The market for the Company's publications has not been buoyant.

Despite a reported upturn in activity in some areas of the United Kingdom no improvement in sales or advertising revenue has been experienced.

A new magazine for young women and a puzzle magazine have been launched successfully in recent months.

The standard of production on the new printing presses in Dundee and Glasgow has continued to improve. Pre-press systems are being constantly updated.

The charge for depreciation remains high but is expected to show some reduction in the current year.

The sale of one property no longer required in Dundee has been concluded, but another large Dundee property and property in Manchester remain unsold.

Fixed assets

Information relating to changes in fixed tangible assets is given in note 12 to these accounts.

In the opinion of the directors, the market value of the land and buildings is not less than the book value stated in the accounts.

Directors

The directors in office throughout the year were BH Thomson, DB Thomson, AF Thomson, AG Thomson and LM Thomson.

The directors' interests in the issued share capital of the company are shown in note 28 to these accounts.

In terms of the Articles of Association, Mr AF Thomson retires by rotation and being eligible, offers himself for re-election.

DC Thomson & Company Limited

Directors' report (*continued*)

Employees

Information relating to employees is given in note 4 to these accounts.

It is the policy of the group to do everything possible to ensure the health and safety at work of all employees.

Careful attention is given to the employment of disabled persons where practicable, and to ensuring that they have full consideration in the development of their careers.

Good relations with employees are recognised as of first importance. Communication is maintained through departmental overseers and other seniors and by regular visits by management to all departments and by head office management to branch offices, when matters of interest concerning the business are discussed. The majority of employees are members of the Thomson-Leng Provident and Superannuation Funds.

Exports

The value of exports from the United Kingdom was £2,711,331.

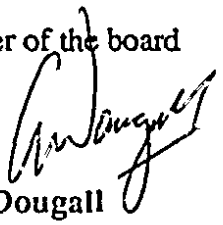
Charitable and political contributions

Most of the group's charitable contributions are made by charitable trusts the capital of which was privately contributed. In addition the group made charitable donations of £797. The group made no political contributions during the year.

Auditors

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

By order of the board


A McDougall
Secretary

DUNDEE
2 November 1993

DC Thomson & Company Limited

Consolidated profit and loss account
for the year ended 31 March 1993

	Note	1993 £000	1992 £000
Turnover	2	84,572	86,556
Profit on ordinary activities before taxation	3	30,211	21,124
Taxation	9	(6,846)	(3,430)
Profit after taxation		23,365	17,694
Extraordinary items	10	4,038	7,621
Profit for the financial year		27,403	25,315
Appropriations:			
Transfer to reserves	21	18,250	17,700
Dividends paid and proposed	11	4,440	3,930
		22,690	21,630
Retained profit for the year		4,713	3,685

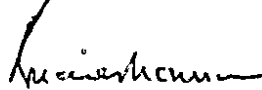
A statement of reserves is given in notes 21 and 22 to these accounts.

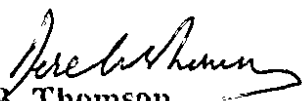
DC Thomson & Company Limited

Consolidated balance sheet
At 31 March 1993

	Note	1993 £000	1992 £000
Fixed assets			
Tangible assets	12	100,243	98,988
Investments	13	36,646	32,823
		<u>136,889</u>	<u>131,811</u>
Current assets			
Stocks	14	11,575	12,522
Debtors	15	14,889	16,639
Investments	16	5,284	12,928
Short-term deposits		85,112	60,445
Cash at bank and in hand		652	188
		<u>117,512</u>	<u>102,722</u>
Creditors: amounts falling due within one year	17	<u>16,715</u>	<u>20,778</u>
Net current assets		<u>100,797</u>	<u>81,944</u>
Total assets less current liabilities		<u>237,686</u>	<u>213,755</u>
Provisions for liabilities and charges	18	(8,825)	(8,215)
Accruals and deferred income	19	(1,025)	(1,184)
		<u>227,836</u>	<u>204,356</u>
Capital and reserves			
Called up share capital	20	6,000	6,000
Capital reserve	21	1,214	1,214
Reserve fund	21	141,465	123,215
Staff benefit and pension reserve	21	21,912	21,912
Stock reserve	21	8,700	8,700
Profit and loss account	22	48,475	43,305
Minority interest		70	10
		<u>227,836</u>	<u>204,356</u>

The accounts on pages 3 to 21 were approved by the Board of Directors on 2 November 1993 and signed on its behalf by:


BH Thomson
Director

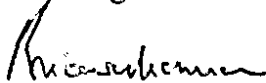

DB Thomson
Director


DC Thomson & Company Limited

Balance sheet
At 31 March 1993

	Note	1993 £000	1992 £000
Fixed assets			
Tangible assets	12	99,468	98,141
Investments, including subsidiary companies	13	29,650	28,892
		<u>129,118</u>	<u>127,033</u>
Current assets			
Stocks	14	11,575	12,522
Debtors	15	15,273	16,306
Investments	16	5,284	12,928
Short-term deposits		67,679	45,921
Cash at bank and in hand		396	64
		<u>100,207</u>	<u>87,741</u>
Creditors: amounts falling due within one year	17	16,206	21,075
		<u>84,001</u>	<u>66,666</u>
Net current assets			
		<u>213,119</u>	<u>193,699</u>
Total assets less current liabilities			
Provisions for liabilities and charges	18	(8,825)	(8,296)
Accruals and deferred income	19	(1,025)	(1,184)
		<u>203,269</u>	<u>184,219</u>
Capital and reserves			
Called up share capital	20	6,000	6,000
Capital reserve	21	1,214	1,214
Reserve fund	21	140,842	122,592
Staff benefit and pension reserve	21	21,912	21,912
Stock reserve	21	8,700	8,700
Profit and loss account	22	24,601	23,801
		<u>203,269</u>	<u>184,219</u>

The accounts on pages 3 to 21 were approved by the Board of Directors on 2 November 1993 and signed on its behalf by:


BH Thomson
Director


DB Thomson
Director

DC Thomson & Company Limited

Consolidated cash flow statement For the year ended 31 March 1993

	Note	1993 £000	1992 £000
Net cash inflow from operating activities	23	11,332	8,558
Returns on investments and servicing of finance			
Income from fixed asset investments		7,299	7,139
Other interest receivable		6,401	4,837
Dividends paid		(3,930)	(3,630)
Dividend from associated undertaking		1,688	1,455
Net cash inflow from returns on investments and servicing of finance		11,458	9,801
Taxation			
Tax paid		(1,193)	(688)
Investing activities			
Purchase of tangible fixed assets		(8,595)	(19,603)
Sale of tangible fixed assets		607	438
Purchase of investments		(851)	(2,994)
Sale of investments		13,504	24,335
Minority investment in subsidiary		60	10
Investment in associated undertaking		(1,191)	-
Net cash inflow from investing activities		3,534	2,186
Increase in cash and cash equivalents	24	25,131	19,857

DC Thomson & Company Limited

Notes

(forming part of the accounts)

1 Accounting policies

Accounting convention

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

Consolidation

The consolidated accounts include the results of the company and all subsidiaries and also the group's share of the results of its associated company. In accordance with Section 230 of the Companies Act 1985, a separate profit and loss account of DC Thomson & Company Limited is not presented.

Deferred taxation

Deferred taxation is provided at the rates at which the liabilities are expected to arise in respect of short term timing differences and the excess of capital allowances over depreciation where such liabilities are expected to crystallise in the foreseeable future.

Depreciation

The cost of fixed tangible assets, except freehold land, is depreciated to estimated residual value by equal annual instalments over the following estimated useful economic lives:-

Freehold buildings	- -	50 years
Leasehold land and buildings	-	life of lease
Plant and equipment	-	4 to 40 years

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date.

Government grants

Government grants are credited to profit and loss over the period of the estimated useful economic lives of the assets to which they relate. The grants shown in the balance sheet consist of the total grants received and receivable to date less amounts so far credited to profits.

Investment income

Investment income is dealt with on the basis of cash receipts in the year with, in the case of franked investment income, the addition of related tax credits.

Notes (continued)

1 Accounting policies (continued)

Pension costs

The group operates a defined benefit pension scheme covering all eligible employees. Payments to the scheme are charged against profits and are calculated with actuarial advice and represent a proper charge to cover the accruing liabilities on a continuing basis. Independent actuarial values of the scheme are made every three years.

Payments in respect of defined contribution schemes are charged against profits when due.

Stocks

Stocks are valued at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods for resale, the average purchase price is used. For work in progress and finished goods, cost is taken as production cost, which includes an appropriate proportion of overheads.

2 Turnover

Turnover represents amounts invoiced in respect of goods provided during the year excluding value added tax.

DC Thomson & Company Limited

Notes (continued)

3 Profit on ordinary activities before taxation

	Note	1993 £000	1992 £000
Turnover		84,572	86,556
Decrease in stock of finished goods and work in progress		(860)	92
Regional Development Grants		158	191
Raw materials and consumables		(17,496)	(20,409)
Other external charges		(411)	(581)
		(18,609)	(20,707)
		65,963	65,849
Staff costs	4	(36,708)	(37,888)
Depreciation	12	(6,251)	(5,044)
Other operating charges		(15,737)	(17,343)
Trading profit before exceptional items		7,267	5,574
Share of profits of associated undertaking		7,859	4,694
Income from fixed asset investments	6	10,295	10,004
Other interest receivable	7	6,240	5,089
Profit before exceptional items		31,661	25,361
Exceptional items	8	1,450	4,237
Profit on ordinary activities before taxation		30,211	21,124
<i>Trading profit is stated after charging:</i>			
Auditors' remuneration		45	45
Auditors' remuneration for non-audit work		22	16
<i>and after crediting:</i>			
Gain on sale of fixed tangible assets		542	347
Net income from rents		86	68

DC Thomson & Company Limited

Notes (continued)

4 Employees

	1993 Number	1992 Number
The average weekly number of employees during the year was:	2,152 =====	2,353 =====

	1993 £000	1992 £000
Employee costs during the year (including directors remuneration) amounted to:		
Wages and salaries	34,680	35,827
Social security costs	2,468	2,579
Other pension costs (note 27)	(440)	(518)
	<u>36,708</u> =====	<u>37,888</u> =====

5 Directors' emoluments

	1993 £000	1992 £000
Management remuneration	373	348
Pension scheme contributions	58	54
	<u>431</u> =====	<u>402</u> =====

The emoluments, excluding pension contributions, of the chairman and highest paid director amounted to £79,336 (1992 - £74,286).

All directors received emoluments, excluding pension contributions, in the following ranges:-

	1993 Number	1992 Number
£65,001 - £70,000	-	3
£70,001 - £75,000	3	2
£75,001 - £80,000	2	-
	<u>==</u>	<u>==</u>

DC Thomson & Company Limited

Notes (continued)

6 Income from fixed asset investments

	1993 £000	1992 £000
Listed	10,225	9,938
Unlisted	70	66
	<u>10,295</u>	<u>10,004</u>

7 Other interest receivable

	1993 £000	1992 £000
Income from listed UK government securities	296	1,015
Income from short-term deposits and other sources	5,944	4,074
	<u>6,240</u>	<u>5,089</u>

8 Exceptional items

	1993 £000	1992 £000
Severance payments	1,450	2,850
Loss on scrapping of fixed tangible assets	-	1,387
	<u>1,450</u>	<u>4,237</u>

9 Tax on profit on ordinary activities

	1993 £000	1992 £000
UK corporation tax at 33% (1992 - 33%)	641	(1,434)
Transfer to/(from) deferred tax	482	(2)
Tax on franked investment income	2,885	2,766
Unrelieved overseas tax	-	48
Attributable tax of associated undertaking	3,025	1,831
	<u>7,033</u>	<u>3,209</u>
Adjustment for previous years:		
Corporation tax	(46)	298
Higher rate taxation	(141)	(77)
	<u>6,846</u>	<u>3,430</u>

DC Thomson & Company Limited

Notes (continued)

10 Extraordinary items

	1993 £000	1992 £000
<i>Extraordinary credit</i>		
Gain on disposal of investments	4,217	9,774
<i>Extraordinary charges:</i>		
Provision against unlisted investments	(179)	(271)
Loss arising in subsidiary	-	-
Attributable extraordinary items of associated undertaking	-	(1,992)
	<hr/>	<hr/>
Extraordinary profit/(loss)	4,038	7,511
<i>Taxation:</i>		
Current - corporation tax	-	(429)
Attributable to associated undertaking	-	539
	<hr/>	<hr/>
	4,038	7,621
	=====	=====

11 Dividends

Ordinary shares - interim of 10p paid (1992 - 10p)	600	600
- proposed final of 64p per share (1992 - 55.5p)	3,840	3,330
	<hr/>	<hr/>
	4,440	3,930
	=====	=====

12 Fixed tangible assets

Group	Freehold property £000	Plant and equipment £000	Assets in course of construction £000	Total £000
<i>Cost</i>				
At 31 March 1992	44,130	95,648	9,428	149,206
Additions	1,595	5,976	-	7,571
Disposals	(1)	(2,189)	-	(2,190)
Transfers	-	8,842	(8,842)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1993	45,724	108,277	586	154,587
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 31 March 1992	10,628	39,590	-	50,218
Charge for year	684	5,567	-	6,251
Disposals	(1)	(2,124)	-	(2,125)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1993	11,311	43,033	-	54,344
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 1993	34,413	65,244	586	100,243
	=====	=====	=====	=====
At 31 March 1992	33,502	56,058	9,428	98,988
	=====	=====	=====	=====

DC Thomson & Company Limited

Notes (continued)

12 Fixed tangible assets (continued)

Company	Freehold property £000	Plant and equipment £000	Assets in course of construction £000	Total £000
Cost				
At 31 March 1992	43,630	89,303	9,428	142,361
Additions	1,595	5,907	-	7,502
Disposals	(1)	(1,080)	-	(1,081)
Transfers	-	8,842	(8,842)	-
At 31 March 1993	45,224	102,972	586	148,782
Depreciation				
At 31 March 1992	10,628	33,592	-	44,220
Charge for year	684	5,427	-	6,111
Disposals	(1)	(1,016)	-	(1,017)
At 31 March 1993	11,311	38,003	-	49,314
Net book value				
At 31 March 1993	33,913	64,969	586	99,468
At 31 March 1992	33,002	55,711	9,428	98,141

The cost of freehold property includes the cost of land, a significant part of which is not separately identifiable and is depreciated.

DC Thomson & Company Limited

Notes (*continued*)

13 Fixed asset investments

	Listed £000	Unlisted £000	Total £000
Group			
At 31 March 1992	15,778	6,191	21,969
Additions	158	693	851
Disposals	(1,643)	-	(1,643)
Provisions	-	(179)	(179)
	<hr/>	<hr/>	<hr/>
At 31 March 1993	<u>14,293</u>	<u>6,705</u>	<u>20,998</u>
 Interest in listed associated undertaking			
<i>Cost</i>			
At 31 March 1992	6,011		
Addition in year	1,191		
	<hr/>		
At 31 March 1993	<u>7,202</u>		
 <i>Share of post acquisition reserves</i>			
At 31 March 1992	4,843		
Profit for year	4,834		
Dividends	(1,688)		
Other reserve movements	457		
	<hr/>		
At 31 March 1993	<u>8,446</u>		
	<hr/>		
At 31 March 1993			<u>15,648</u>
			<hr/>
Total at 31 March 1993			<u>36,646</u>
			<hr/>
Total at 31 March 1992			<u>32,823</u>
			<hr/>

DC Thomson & Company Limited

Notes (continued)

13 Fixed asset investments (continued)

Company	Subsidiary companies unlisted £000	Other companies			Total £000
		Listed £000	Listed associated undertaking £000	Unlisted £000	
Shares					
<i>Cost less provisions</i>					
At 31 March 1992	910	12,993	6,011	5,891	25,805
Additions	60	130	1,191	693	2,074
Disposals	-	(893)	-	-	(893)
Provisions	-	-	-	(179)	(179)
At 31 March 1993	970	12,230	7,202	6,405	26,807
<i>Loans less provisions</i>					
At 31 March 1992	3,087	-	-	-	3,087
Additions	100	-	-	-	100
Repayments	(20)	-	-	-	(20)
Provisions	(324)	-	-	-	(324)
At 31 March 1993	2,843	-	-	-	2,843
<i>Total</i>					
At 31 March 1993	3,813	12,230	7,202	6,405	29,650
At 31 March 1992	3,997	12,993	6,011	5,891	28,892

Accumulated provision against cost of unlisted investments is £9,592,000 (1992 - £9,413,000) for the group and £11,475,000 (1992 - £11,296,000) for the company.

DC Thomson & Company Limited

Notes (continued)

13 Fixed asset investments (continued)

Valuation	1993		1992	
	Group £000	Company £000	Group £000	Company £000
At market value - Fully listed	362,510	297,866	286,703	232,811
Quoted on Unlisted Securities Market (included in unlisted investments)	402	402	810	810
At directors valuation - Unlisted	11,363	11,063	8,412	8,112
Potential tax liability if sold at this value	82,970	69,620	57,915	48,245

The principal companies in which the company's interest is more than 10% are as follows:-

	Country of registration or incorporation	Principal activity	Class and percentage of shares held
Subsidiary companies			
John Leng & Company Limited	Scotland	Investment Company	100% Ordinary £1 shares
Meadowside Leasing Limited	Scotland	Plant Leasing	100% Ordinary £1 shares
Scots Magazine Limited	Scotland	Dormant	100% Ordinary £1 shares
Taytel Limited	Scotland	Publisher	100% Redeemable £1 shares
Opera Now	England	Publisher	100% Ordinary 10p shares
Wendy Promotions	England	Merchandising	50% Ordinary £1 shares
Unlisted companies			
Starstream Limited	England	Satellite Television Programming	18.77% Ordinary £1 shares

The directors do not consider that the unlisted investment noted above constitutes an "associated undertaking". The directors consider that the group's share of earnings and book value of net assets is not material to the Consolidated Accounts.

Investment in associated undertaking

The company holds 19.364% of the ordinary 50p shares of Central Independent Television plc, a company registered in England and providing a television broadcasting service. The associated undertaking is accounted for on an equity basis for the year to the previous 31 December.

DC Thomson & Company Limited

Notes (continued)

14 Stocks

Group and Company

	1993 £000	1992 £000
Raw materials and consumables	7,346	7,433
Work in progress	2,452	2,822
Finished goods and goods for resale	1,777	2,267
	<u>11,575</u>	<u>12,522</u>

15 Debtors

	Due within one year £000	1993 Due outwith one year £000	Total £000	Due within one year £000	1992 Due outwith one year £000	Total £000
Group						
Trade debtors	10,489	-	10,489	10,832	-	10,832
Other debtors	991	1,368	2,359	2,608	1,236	3,844
Prepayments and accrued income	2,041	-	2,041	1,963	-	1,963
	<u>13,521</u>	<u>1,368</u>	<u>14,889</u>	<u>15,403</u>	<u>1,236</u>	<u>16,639</u>
Company						
Trade debtors	10,470	-	10,470	10,714	-	10,714
Other debtors	989	1,368	2,357	2,514	1,236	3,750
Group relief	427	-	427	-	-	-
Prepayments and accrued income	2,019	-	2,019	1,842	-	1,842
	<u>13,905</u>	<u>1,368</u>	<u>15,273</u>	<u>15,070</u>	<u>1,236</u>	<u>16,306</u>

16 Current asset investments

Group and Company

	1993 £000	1992 £000
Cost		
Listed	5,284	12,928
Valuation		
Market value of listed investments	7,835	16,044
Potential tax liability if sold at this value	NIL	NIL

DC Thomson & Company Limited

Notes (continued)

17 Creditors: amounts falling due within one year

	1993		1992	
	Group £000	Company £000	Group £000	Company £000
Trade creditors	941	906	938	717
Corporation tax	4,469	4,006	5,269	5,020
Group relief	-	-	-	450
Other taxes and social security	943	943	2,278	2,278
Other creditors	5,922	5,911	8,363	8,680
Interim dividend paid since date of balance sheet	600	600	600	600
Proposed final dividend	3,840	3,840	3,330	3,330
	<u>16,715</u>	<u>16,206</u>	<u>20,778</u>	<u>21,075</u>
	=====	=====	=====	=====

18 Provisions for liabilities and charges

Deferred taxation:	Accelerated capital allowances £000	Other timing differences £000	Total £000
<i>As provided</i>			
Group			
At 31 March 1992	9,142	(927)	8,215
Transfer from profit and loss account	(188)	798	610
At 31 March 1993	<u>8,954</u>	<u>(129)</u>	<u>8,825</u>
	=====	=====	=====
Company			
At 31 March 1992	8,954	(658)	8,296
Transfer from profit and loss account	-	529	529
At 31 March 1993	<u>8,954</u>	<u>(129)</u>	<u>8,825</u>
	=====	=====	=====
<i>On full deferral basis</i>			
Group			
At 31 March 1993	14,603	(128)	14,475
	=====	=====	=====
At 31 March 1992	11,957	(658)	11,299
	=====	=====	=====
Company			
At 31 March 1993	14,603	(128)	14,475
	=====	=====	=====
At 31 March 1992	12,145	(927)	11,218
	=====	=====	=====

DC Thomson & Company Limited

Notes (continued)

19 Accruals and deferred income

Group and Company	Group £000	Company £000
Government grants		
At 31 March 1992	1,184	1,184
Credited to operating profit	159	159
At 31 March 1993	<u>1,025</u>	<u>1,025</u>

20 Called up share capital

	Authorised 1993 £000	1992 £000	Allotted, called up and fully paid 1993 No	£000	1992 No	£000
Ordinary shares of £1 each	6,000	6,000	6,000,000	6,000	6,000,000	6,000

21 Reserves

	Capital £000	Reserve Fund £000	Staff Benefit and Pension £000	Stock £000
Group				
At 31 March 1992	1,214	123,215	21,912	8,700
Transfer from profit and loss account	-	18,250	-	-
At 31 March 1993	<u>1,214</u>	<u>141,465</u>	<u>21,912</u>	<u>8,700</u>
Company				
At 31 March 1992	1,214	122,592	21,912	8,700
Transfer from profit and loss account	-	18,250	-	-
At 31 March 1993	<u>1,214</u>	<u>140,842</u>	<u>21,912</u>	<u>8,700</u>

22 Profit and loss account

	Group		Company	
	1993 £000	1992 £000	1993 £000	1992 £000
Retained profits at beginning of year	43,305	39,825	23,801	22,709
Adjustment re interest in associated undertaking	1,210	-	-	-
Goodwill on purchase of shares in associated undertaking written off	(967)	-	-	-
Share of associated undertaking reserve movements	214	(205)	-	-
Retained profit for the year	4,713	3,685	800	1,092
	<u>48,475</u>	<u>43,305</u>	<u>24,601</u>	<u>23,801</u>

All the reserves detailed in notes 21 and 22 above are distributable.

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Notes (continued)

23 Reconciliation of trading profit to net cash inflow from operating activities

	1993 £000	1992 £000
Trading profit	7,267	5,574
Exceptional item - severance payments made	(2,860)	(2,102)
Depreciation	6,251	5,044
Gain on sale of fixed assets	(542)	(347)
Amortisation of Regional Development Grants	(159)	(191)
Decrease in stock	947	1,513
Decrease/(increase) in debtors	1,639	(1,631)
(Decrease)/increase in creditors	(1,211)	698
Net cash inflow from operating activities	11,332	8,558

24 Analysis of changes in cash and cash equivalents

	Short term deposits £000	Cash at bank and in hand £000	Total £000
At 1 April 1991	40,578	198	40,776
Movement of year	19,867	(10)	19,857
At 31 March 1992	60,445	188	60,633
Movement of year	24,667	464	25,131
At 31 March 1993	85,112	652	85,764

25 Contingent liabilities

The Company has guaranteed payments in favour of Customs and Excise in respect of raw materials imports and other materials the maximum liability under which would be £1,217,000 (1992 - £4,717,000).

26 Capital commitments

	1993 £000	1992 £000
Group and Company		
Contracted for but not provided	924	5,471
Authorised but not contracted for	5,500	8,059

DC Thomson & Company Limited

Notes (continued)

27 Pension commitments

The group operates both defined benefit and defined contribution pension schemes covering the majority of employees with assets held in separate, trustee administered funds.

The pension credit for the year was £488,886 (1992 - £570,300) after a reduction of £4,036,764 (1992 - £4,082,000) in respect of the amortisation of existing surpluses over 13 years, the expected average remaining working lifetime of current employees.

Independent valuations are carried out by a qualified actuary every three years using the Projected Unit Credit Method.

The latest actuarial assessment was on 31 March 1991, when the overall level of funding was assessed at 139% of the accruing liabilities. The main assumptions used were a rate of interest of 8.5% per annum, salary increases at the rate of 7% per annum and post retirement pension increases of 5% per annum on the excess over the guaranteed minimum pension and 3% per annum on the post 1988 guaranteed minimum pension. The market value of assets in the scheme at that date was £168,611,000.

A prepayment of £1,707,186 (1992 - £1,218,300) included in debtors is the cumulative excess of contributions paid over funding requirements.

In addition, contributions of £108,000 (1992 - £106,000) were paid in respect of defined contribution schemes.

28 Directors interest in share capital

The directors who held office during the year had the following interests in the £1 ordinary shares of the company:-

	31 March 1993	31 March 1992
Beneficial interest:-		
BH Thomson	33,272	33,272
DB Thomson	49,000	49,000
AF Thomson	65,432	64,252
AG Thomson	47,752	47,752
LM Thomson	65,300	65,300
As trustees without beneficial interest:-		
BH Thomson	231,577	228,577
DB Thomson	532,597	532,597
AF Thomson	312,894	312,094
As joint trustees without beneficial interest:-		
BH Thomson)		
DB Thomson)	448,213	448,213
BH Thomson)		
DB Thomson)	226,148	246,785
AF Thomson)		
AG Thomson)		
LM Thomson)	216,953	216,953

DC Thomson & Company Limited

Directors' responsibilities for the preparation of accounts

The Directors are required by law to prepare accounts which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit of the group for the year. The accounts must be prepared in compliance with required formats and disclosures. The Directors are also responsible for maintaining adequate accounting records, for safeguarding the assets of the group and for preventing and detecting fraud and other irregularities.

In preparing the accounts to 31 March 1993, the Directors confirm that suitable accounting policies have been used, applied consistently and supported by reasonable and prudent judgements and estimates, and that applicable accounting standards have been followed.

Report of the auditors to the members of DC Thomson & Company Limited

We have audited the accounts on pages 3 to 21.

Respective responsibilities of the directors and auditors

As described above the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion based on our audit of those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company and the group as at 31 March 1993 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick

KPMG Peat Marwick
Chartered Accountants
Registered Auditors

Royal Exchange
Dundee
DD1 1DZ
2 November 1993