

Company Registration No. 1767018 (England and Wales)

**POLITY PRESS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**PAGES FOR FILING WITH REGISTRAR**

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## **POLITY PRESS LIMITED**

### **COMPANY INFORMATION**

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|                          |  |
|--------------------------|--|
| <b>Directors</b>         | Dr D Held<br>Dr J Thompson   |
| <b>Secretary</b>         | Dr D Held  |
| <b>Company number</b>    | 1767018  |
| <b>Registered office</b> | Quadrant House - Floor 6<br>4 Thomas More Square<br>London<br>E1 W 1YW           |
| <b>Auditor</b>           | UHY Hacker Young<br>Quadrant House<br>4 Thomas More Square<br>London<br>E1 W 1YW |
| <b>Business address</b>  | 65 Bridge Street<br>Cambridge<br>Cambridgeshire<br>CB2 1UR                       |

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# **POLITY PRESS LIMITED**

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**POLITY PRESS LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2016**

|   | Notes | 2016<br>£          | £                | 2015<br>£          | £                |
|---|-------|--------------------|------------------|--------------------|------------------|
| <b>Fixed assets</b>                                   |       |                    |                  |                    |                  |
| Tangible assets                                       | 4     |                    | 7,674            |                    | 19,582           |
| <b>Current assets</b>                                 |       |                    |                  |                    |                  |
| Stocks  |       | 1,197,621          |                  | 1,005,660          |                  |
| Debtors   | 5     | 1,929,896          |                  | 1,469,451          |                  |
| Cash at bank and in hand                              |       | 2,105,404          |                  | 1,664,912          |                  |
|   |       | <u>5,232,921</u>   |                  | <u>4,140,023</u>   |                  |
| <b>Creditors: amounts falling due within one year</b> | 6     | <u>(1,932,551)</u> |                  | <u>(1,304,745)</u> |                  |
| <b>Net current assets</b>                             |       |                    | 3,300,370        |                    | 2,835,278        |
| <b>Total assets less current liabilities</b>          |       |                    | 3,308,044        |                    | 2,854,860        |
| <b>Provisions for liabilities</b>                     |       |                    | (927)            |                    | (3,038)          |
| <b>Net assets</b>                                     |       |                    | <u>3,307,117</u> |                    | <u>2,851,822</u> |
| <b>Capital and reserves</b>                           |       |                    |                  |                    |                  |
| Called up share capital                               | 7     |                    | 2                |                    | 2                |
| Capital redemption reserve                            |       |                    | 1                |                    | 1                |
| Profit and loss reserves                              |       |                    | 3,307,114        |                    | 2,851,819        |
| <b>Total equity</b>                                   |       |                    | <u>3,307,117</u> |                    | <u>2,851,822</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

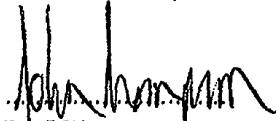
**POLITY PRESS LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2016**

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The financial statements were approved by the board of directors and authorised for issue on 26/09/17 and are signed on its behalf by:



Dr J Thompson

Director

Company Registration No. 1767018

# **POLITY PRESS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

#### **Company information**

Polity Press Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW.

#### **1.1 Accounting convention**

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

The company has three main revenue streams these being sales through the third-party stockholder, invoiced sales and un-invoiced sales.

Sales made through the third-party stockholder are recognised upon despatch of the goods. Invoiced sales are recognised on the invoice date and in line with the point at which the service is provided. Un-invoiced sales are recognised when the proceeds of these sales are received.

In all cases the turnover recognised represents net amounts receivable, excluding VAT.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                 |                   |
|---------------------------------|-------------------|
| Plant and machinery             | 25% straight line |
| Furniture, fixtures & equipment | 10% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# **POLITY PRESS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

**(Continued)**

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **1.5 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and those overheads that have been incurred in bringing the stocks to their present location and condition.

Work in progress is recognised as costs incurred in the current period in relation to works which are not due to publish till after the year end.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.6 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# **POLITY PRESS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

**(Continued)**

#### **1.7 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 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified 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.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



# **POLITY PRESS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

**(Continued)**

#### **1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to the company's defined contribution pension scheme are charged to the profit and loss account as they become payable.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# **POLITY PRESS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1 Accounting policies**

**(Continued)**

##### **1.14 Grant Income**

Grant income is accounted for on a received basis. The income is received in relation to expenses incurred by the company and therefore this income is set off against the expenditure to which it relates.

#### **2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 25 (2015 - 26).

#### **3 Directors' remuneration**

|                                | <b>2016</b> | <b>2015</b> |
|--------------------------------|-------------|-------------|
|                                | <b>£</b>    | <b>£</b>    |
| Remuneration paid to directors | 121,155     | 130,041     |

#### **4 Tangible fixed assets**

|                                    | <b>Plant and<br/>machinery</b> | <b>Furniture,<br/>fixtures &amp;<br/>equipment</b> | <b>Total</b> |
|------------------------------------|--------------------------------|--|--------------|
|                                    | <b>£</b>                       | <b>£</b>   | <b>£</b>     |
| <b>Cost</b>                        |                                |  |              |
| At 1 January 2016                  | 147,118                        | 14,482   | 161,600      |
| Additions                          | -                              | 527  | 527          |
| At 31 December 2016                | 147,118                        | 15,009   | 162,127      |
| <b>Depreciation and impairment</b> |                                |  |              |
| At 1 January 2016                  | 131,629                        | 10,389   | 142,018      |
| Depreciation charged in the year   | 11,671                         | 764  | 12,435       |
| At 31 December 2016                | 143,300                        | 11,153   | 154,453      |
| <b>Carrying amount</b>             |                                |  |              |
| At 31 December 2016                | 3,818                          | 3,856  | 7,674        |
| At 31 December 2015                | 15,489                         | 4,093  | 19,582       |

**POLITY PRESS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**5 Debtors**

|   | <b>2016</b>      | <b>2015</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade debtors                               | 1,807,910        | 1,425,395        |
| Other debtors                               | 121,986          | 44,056           |
|   | <u>1,929,896</u> | <u>1,469,451</u> |

**6 Creditors: amounts falling due within one year**

|                                    | <b>2016</b>      | <b>2015</b>      |
|------------------------------------|------------------|------------------|
|                                    | <b>£</b>         | <b>£</b>         |
| Trade creditors                    | 949,711          | 896,593          |
| Corporation tax                    | 105,919          | 44,359           |
| Other taxation and social security | 370,137          | 22,203           |
| Other creditors                    | 506,784          | 341,590          |
|                                    | <u>1,932,551</u> | <u>1,304,745</u> |

**7 Called up share capital**

|                               | <b>2016</b> | <b>2015</b> |
|-------------------------------|-------------|-------------|
|                               | <b>£</b>    | <b>£</b>    |
| <b>Ordinary share capital</b> |             |             |
| <b>Issued and fully paid</b>  |             |             |
| 2 Ordinary shares of £1 each  | 2           | 2           |
|                               | <u>2</u>    | <u>2</u>    |

**8 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.  
The senior statutory auditor was Gregory Chong.  
The auditor was UHY Hacker Young.

**9 Operating lease commitments**

**Lessee**

The company holds its offices under an operating lease which expires in 2019.

**POLITY PRESS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**9 Operating lease commitments**

**(Continued)**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

|                            | <b>2016</b>   | <b>2015</b>   |
|----------------------------|---------------|---------------|
|                            | <b>£</b>      | <b>£</b>      |
| Within one year            | 24,900        | 24,900        |
| Between two and five years | 26,975        | 51,875        |
|                            | <u>51,875</u> | <u>76,775</u> |

**10 Controlling party**

The ultimate controlling parties are the directors who each have an equal interest in the company.