

120721

# **Marston Book Services Limited**

## **Report and Financial Statements**

31 December 2002



# Marston Book Services Limited

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Registered No: 1186721

## **Directors**

P J Holloran - Chairman  
R Clayton  
W G Cooper

## **Secretary**

W G Cooper

## **Auditors**

Ernst & Young LLP  
Rolls House  
7 Rolls Buildings  
Fetter Lane  
London  
EC4A 1NH

## **Registered office**

160 Milton Park  
Abingdon  
Oxfordshire  
OX14 4SD

## Directors' report

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 December 2002.

### Results and dividends

The profit for the year, after taxation, amounted to £314,785 (2001 - £370,735).

The directors recommended and paid an interim dividend of £0.80 per share (2001 - £nil).

### Principal activity and review of the business

The principal activity of the company is the warehousing and fulfilment of books and journals on behalf of a number of publishing clients. The company continued to add new clients to its list during the year. The company completed the move of part of its business to a new warehouse and now works from two modern sites near Abingdon. All transfer and exit costs from previous sites were included in the current and previous years' profit and loss financial statements. Capacity is now available for further growth.

### Directors and their interests

The directors during the year were as follows:

P J Holloran - Chairman

R Clayton

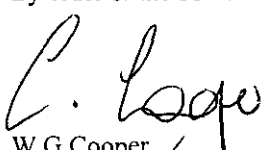
W G Cooper

None of the directors has any interest in the share capital of the company. Mr Holloran and Mr Clayton are directors of Viola Media Services Limited, the parent undertaking. Their interests in the share capital of that company are disclosed in its annual report.

### Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

By order of the board



W G Cooper  
Secretary

13 October 2003

## **Statement of directors' responsibilities in respect of the financial statements**

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

# **Independent auditors' report**

**to the members of Marston Book Services Limited**

We have audited the company's financial statements for the year ended 31 December 2002 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Statement of Cash Flows and the related notes 1 to 20. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

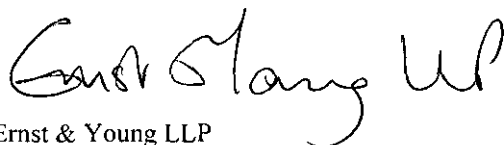
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent auditors' report

to the members of Marston Book Services Limited (continued)

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
London

20 October 2003.

## Profit and loss account

for the year ended 31 December 2002

|                                                      | Notes | 2002<br>£ | 2001<br>£ |
|------------------------------------------------------|-------|-----------|-----------|
| <b>Turnover</b>                                      | 2     | 6,535,585 | 6,277,422 |
| Administrative expenses                              |       | 6,205,540 | 5,965,403 |
| <b>Operating profit</b>                              | 3     | 330,045   | 312,019   |
| Interest receivable                                  | 4     | 128,261   | 176,642   |
| Interest payable                                     | 5     | (8,484)   | (16,277)  |
|                                                      |       | 119,777   | 160,365   |
| <b>Profit on ordinary activities before taxation</b> |       | 449,822   | 472,384   |
| Tax on profit on ordinary activities                 | 6     | 135,037   | 101,649   |
| <b>Profit for the financial year</b>                 |       | 314,785   | 370,735   |
| Dividends                                            |       | 200,000   | —         |
| <b>Retained profit for the financial year</b>        |       | 114,785   | 370,735   |

## Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £314,785 in the year ended 31 December 2002 and £370,735 in the year ended 31 December 2001.

# Balance sheet

at 31 December 2002

|                                                                | Notes | 2002<br>£ | 2001<br>£ |
|----------------------------------------------------------------|-------|-----------|-----------|
| <b>Fixed assets</b>                                            |       |           |           |
| Tangible assets                                                | 8     | 929,724   | 871,597   |
| <b>Current assets</b>                                          |       |           |           |
| Debtors                                                        | 9     | 2,584,436 | 2,568,146 |
| Cash at bank and in hand                                       |       | 1,454,734 | 973,809   |
|                                                                |       | 4,039,170 | 3,541,955 |
| <b>Creditors:</b> amounts falling due within one year          | 11    | 2,422,636 | 2,014,373 |
| <b>Net current assets</b>                                      |       | 1,616,534 | 1,527,582 |
| <b>Total assets less current liabilities</b>                   |       | 2,546,258 | 2,399,179 |
| <b>Creditors:</b> amounts falling due after more than one year | 18    | 153,189   | 136,232   |
| <b>Provisions for liabilities and charges</b>                  | 12    | 44,757    | 29,420    |
|                                                                |       | 2,348,312 | 2,233,527 |
| <b>Capital and reserves</b>                                    |       |           |           |
| Called up share capital                                        | 13    | 250,000   | 250,000   |
| Profit and loss account                                        | 14    | 2,098,312 | 1,983,527 |
| <b>Equity shareholders' funds</b>                              | 14    | 2,348,312 | 2,233,527 |

Approved by the board on 13 October 2003

Director

Director



## Statement of cash flows

for the year ended 31 December 2002

|                                                        | Notes | 2002<br>£ | 2001<br>£ |
|--------------------------------------------------------|-------|-----------|-----------|
| <b>Net cash inflow from operating activities</b>       | 3(b)  | 838,261   | 308,575   |
| <b>Returns on investments and servicing of finance</b> |       |           |           |
| Interest paid                                          |       | (8,484)   | (16,277)  |
| Interest received                                      |       | 128,261   | 176,642   |
|                                                        |       | 119,777   | 160,365   |
| <b>Taxation</b>                                        |       |           |           |
| UK corporation tax paid                                |       | (5,320)   | (390,510) |
| <b>Capital expenditure</b>                             |       |           |           |
| Payments to acquire tangible fixed assets              |       | (177,642) | (432,943) |
| <b>Dividends paid</b>                                  |       | (200,000) | —         |
| <b>Financing</b>                                       |       |           |           |
| Capital payments on finance leases                     |       | (94,151)  | (22,045)  |
| <b>Increase/(decrease) in cash</b>                     | 10    | 480,925   | (376,558) |

### Reconciliation of net cash flow to movement in net funds

|                                                 | Notes | 2002<br>£ | 2001<br>£ |
|-------------------------------------------------|-------|-----------|-----------|
| Increase/(decrease) in cash                     |       | 480,925   | (376,558) |
| Movements in capital elements of finance leases |       | (36,443)  | (155,355) |
| Movement in net funds                           |       | 444,482   | (531,913) |
| Net debt at 1 January                           |       | 761,332   | 1,293,245 |
| Net debt at 31 December                         | 10    | 1,205,814 | 761,332   |

## Notes to the financial statements

at 31 December 2002

### 1. Accounting policies

#### *Accounting convention*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *Client financial statements*

The company acts as an agent in the warehousing and sales fulfilment of books and journals on behalf of publishing clients. Accordingly, as it does not take title to the publications and operates client bank financial statements to receive monies from the publishers' customers and to pay the publishing clients, these financial statements only reflect the fees and other income derived by the company from these activities and not the gross amounts received, receivable and payable in respect of its agency activities.

#### *Depreciation*

Depreciation is provided on a straight line basis at rates calculated to write off the cost of fixed assets over their useful lives as follows:

|                                               |   |              |
|-----------------------------------------------|---|--------------|
| Plant and equipment                           | - | 3 to 5 years |
| Motor vehicles                                | - | 3 years      |
| Leasehold improvements and warehouse fittings | - | 5-15 years   |

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at a contracted rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

## Notes to the financial statements

at 31 December 2002

### 1. Accounting policies (continued)

#### *Leasing and hire purchase commitments*

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

#### *Pensions*

The company operates and contributes to a defined contribution pension scheme for its employees.

### 2. Turnover

Turnover represents the value of services provided to customers during the year in the ordinary course of business, exclusive of value added tax.

Turnover is attributable to one continuing activity, the warehousing and fulfilment of books and journals in the United Kingdom.

### 3. Operating profit

(a) This is stated after charging:

|                         |                                              | 2002              | 2001              |
|-------------------------|----------------------------------------------|-------------------|-------------------|
|                         |                                              | £                 | £                 |
| Auditors' remuneration  | - audit services                             | 14,000            | 13,500            |
| Depreciation            | - owned assets                               | 196,146           | 200,948           |
|                         | - assets held under hire purchase agreements | 53,963            | 24,314            |
| Operating lease rentals | - equipment                                  | 93,059            | 86,723            |
|                         | - land and buildings                         | 717,623           | 638,677           |
|                         |                                              | <u>          </u> | <u>          </u> |

(b) Reconciliation of operating profit to net cash inflow from operating activities:

|                                           | 2002              | 2001              |
|-------------------------------------------|-------------------|-------------------|
|                                           | £                 | £                 |
| Operating profit                          | 330,045           | 312,019           |
| Depreciation charges                      | 250,109           | 225,262           |
| Increase in debtors                       | (16,290)          | (518,662)         |
| Increase in creditors                     | 274,397           | 289,956           |
|                                           | <u>          </u> | <u>          </u> |
| Net cash inflow from operating activities | 838,261           | 308,575           |
|                                           | <u>          </u> | <u>          </u> |

## Notes to the financial statements

at 31 December 2002

### 4. Interest receivable

|       | 2002           | 2001           |
|-------|----------------|----------------|
|       | £              | £              |
| Bank  | 128,261        | 176,246        |
| Other | —              | 396            |
|       | <u>128,261</u> | <u>176,642</u> |

### 5. Interest payable

|                        | 2002         | 2001          |
|------------------------|--------------|---------------|
|                        | £            | £             |
| Finance lease interest | 8,484        | 16,277        |
|                        | <u>8,484</u> | <u>16,277</u> |

### 6. Tax on profit on ordinary activities

(a) Analysis of charge in year:

|                                                | 2002           | 2001           |
|------------------------------------------------|----------------|----------------|
|                                                | £              | £              |
| <i>Current tax</i>                             |                |                |
| UK corporation tax on the profit for the year  | 119,700        | 74,533         |
| <b>Total current tax (note 6(b))</b>           | <u>119,700</u> | <u>74,533</u>  |
| <i>Deferred tax</i>                            |                |                |
| Origination and reversal of timing differences | 15,337         | 27,599         |
| Prior year adjustment                          | —              | (483)          |
| <b>Total deferred tax (note 12)</b>            | <u>15,337</u>  | <u>27,116</u>  |
| <b>Total tax charge for year</b>               | <u>135,037</u> | <u>101,649</u> |

## Notes to the financial statements

at 31 December 2002

### 6. Tax on profit on ordinary activities (continued)

(b) Factors affecting tax charge for the year:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

|                                                                                                               | 2002<br>£      | 2001<br>£     |
|---------------------------------------------------------------------------------------------------------------|----------------|---------------|
| Profit on ordinary activities before tax                                                                      | 449,822        | 472,384       |
| Profit on ordinary activities multiplied by standard rate<br>of corporation tax in the UK of 30% (2001 - 30%) | 134,947        | 141,715       |
| <i>Effects of:</i>                                                                                            |                |               |
| Expenses not deductible for tax purposes                                                                      | 2,420          | 9,242         |
| Capital allowances in advance of depreciation                                                                 | (15,337)       | (27,599)      |
| Utilisation of tax losses                                                                                     | —              | (43,020)      |
| Marginal relief                                                                                               | (2,330)        | (5,805)       |
| <b>Current tax for the year (note 6(a))</b>                                                                   | <b>119,700</b> | <b>74,533</b> |

### 7. Directors and employees

(a) Employee costs:

|                       | 2002<br>£        | 2001<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,958,105        | 1,912,435        |
| Social security costs | 170,555          | 170,584          |
| Other pension costs   | 98,598           | 88,064           |
|                       | <b>2,227,258</b> | <b>2,171,083</b> |

(b) Average monthly number of employees:

|  |     |     |
|--|-----|-----|
|  | 111 | 113 |
|--|-----|-----|

(c) Directors' remuneration:

|                       | £             | £             |
|-----------------------|---------------|---------------|
| Emoluments            | 60,251        | 60,571        |
| Pension contributions | 4,160         | 4,000         |
|                       | <b>64,411</b> | <b>64,571</b> |

Directors' remuneration shown in the financial statements is paid by the parent company.

## Notes to the financial statements

at 31 December 2002

### 8. Tangible fixed assets

|                          | <i>Leasehold<br/>improvements</i> | <i>Plant and<br/>equipment</i> | <i>Motor<br/>vehicles</i> | <i>Total</i> |
|--------------------------|-----------------------------------|--------------------------------|---------------------------|--------------|
|                          | £                                 | £                              | £                         | £            |
| Cost:                    |                                   |                                |                           |              |
| At 1 January 2002        | 63,417                            | 2,621,084                      | 46,099                    | 2,730,600    |
| Additions                | 5,804                             | 302,432                        | —                         | 308,236      |
| At 31 December 2002      | 69,221                            | 2,923,516                      | 46,099                    | 3,038,836    |
| Depreciation:            |                                   |                                |                           |              |
| At 1 January 2002        | 24,568                            | 1,788,336                      | 46,099                    | 1,859,003    |
| Provided during the year | 4,592                             | 245,517                        | —                         | 250,109      |
| At 31 December 2002      | 29,160                            | 2,033,853                      | 46,099                    | 2,109,112    |
| Net book value:          |                                   |                                |                           |              |
| At 31 December 2002      | 40,061                            | 889,663                        | —                         | 929,724      |
| At 1 January 2002        | 38,849                            | 832,748                        | —                         | 871,597      |

The net book value of assets held under finance leases at 31 December 2002 was £279,539 (2001 - £202,909).

### 9. Debtors

|                                | 2002      | 2001      |
|--------------------------------|-----------|-----------|
|                                | £         | £         |
| Trade debtors                  | 1,528,057 | 1,581,892 |
| Due from parent company        | 426,113   | 522,423   |
| Due from group undertaking     | 71,409    | —         |
| Other debtors                  | 131,964   | 78,410    |
| Prepayments and accrued income | 426,893   | 385,421   |
|                                | 2,584,436 | 2,568,146 |

### 10. Analysis of changes in net funds

|                                           | <i>At<br/>1 January<br/>2002</i> | <i>Movements</i> | <i>At<br/>31 December<br/>2002</i> |
|-------------------------------------------|----------------------------------|------------------|------------------------------------|
|                                           | £                                | £                | £                                  |
| Cash at bank and in hand                  | 973,809                          | 480,925          | 1,454,734                          |
| Obligations under hire purchase contracts | (212,477)                        | (36,443)         | (248,920)                          |
|                                           | 761,332                          | 444,482          | 1,205,814                          |

## Notes to the financial statements

at 31 December 2002

### 11. Creditors: amounts falling due within one year

|                                                                        | 2002             | 2001             |
|------------------------------------------------------------------------|------------------|------------------|
|                                                                        | £                | £                |
| Trade creditors                                                        | 1,424,634        | 1,209,888        |
| Obligations under finance leases and hire purchase contracts (note 18) | 95,731           | 76,245           |
| Corporation tax                                                        | 119,745          | 5,365            |
| Other taxation and social security                                     | 386,207          | 434,659          |
| Accruals and deferred income                                           | 351,697          | 153,216          |
| Amount due to group undertaking                                        | 44,622           | 135,000          |
|                                                                        | <u>2,422,636</u> | <u>2,014,373</u> |

### 12. Provisions for liabilities and charges

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

|                                                                         | 2002          | Provided<br>2001 | Not provided<br>2002 | Not provided<br>2001 |
|-------------------------------------------------------------------------|---------------|------------------|----------------------|----------------------|
|                                                                         | £             | £                | £                    | £                    |
| Accelerated capital allowances                                          | 44,757        | 29,420           | —                    | —                    |
| Tax losses carried forward                                              | —             | —                | —                    | —                    |
| Undiscounted provision for deferred tax                                 | <u>44,757</u> | <u>29,420</u>    | <u>—</u>             | <u>—</u>             |
|                                                                         | £             | £                |                      |                      |
| Provision at start of year                                              | 29,420        | 2,304            |                      |                      |
| Deferred tax charge in profit and loss account for the year (note 6(a)) | 15,337        | 27,116           |                      |                      |
| Provision at end of year                                                | <u>44,757</u> | <u>29,420</u>    |                      |                      |

### 13. Share capital

|                                    | <i>Authorised, allotted,<br/>called up and fully paid</i> |                |
|------------------------------------|-----------------------------------------------------------|----------------|
|                                    | 2002                                                      | 2001           |
|                                    | £                                                         | £              |
| 250,000 ordinary shares of £1 each | <u>250,000</u>                                            | <u>250,000</u> |

## Notes to the financial statements

at 31 December 2002

### 14. Reconciliation of shareholders' funds and movements on reserves

|                     | <i>Share<br/>capital</i><br>£ | <i>Profit and<br/>loss account</i><br>£ | <i>Total</i><br>£ |
|---------------------|-------------------------------|-----------------------------------------|-------------------|
| At 1 January 2001   | 250,000                       | 1,612,792                               | 1,862,792         |
| Profit for the year | –                             | 370,735                                 | 370,735           |
| At 31 December 2001 | 250,000                       | 1,983,527                               | 2,233,527         |
| Profit for the year | –                             | 314,785                                 | 314,785           |
| Dividends           | –                             | (200,000)                               | (200,000)         |
| At 31 December 2002 | 250,000                       | 2,098,312                               | 2,348,312         |

### 15. Capital commitments

|                                   | <i>2002</i><br>£ | <i>2001</i><br>£ |
|-----------------------------------|------------------|------------------|
| Authorised but not contracted for | 249,000          | 95,000           |

### 16. Pension commitments

The company contributes to a defined contribution scheme for its employees. The cost for the year charged to the financial statements was £98,598 (2001-£88,064). There were no outstanding or prepaid contributions at the balance sheet date.

### 17. Financial commitments

The following annual amounts were payable under non-cancellable operating leases in existence at 31 December 2002:

|                                                    | <i>Land and buildings</i><br>2002<br>£ | <i>2001</i><br>£ |
|----------------------------------------------------|----------------------------------------|------------------|
| Operating leases which expire in one year          | –                                      | 159,584          |
| Operating leases which expire in two to five years | –                                      | –                |
| Operating leases which expire in over five years   | 705,830                                | 446,750          |
|                                                    | 705,830                                | 606,334          |

|                                                    | <i>Plant and machinery</i><br>2002<br>£ | <i>2001</i><br>£ |
|----------------------------------------------------|-----------------------------------------|------------------|
| Operating leases which expire in one year          | –                                       | 21,164           |
| Operating leases which expire in two to five years | 37,269                                  | 19,381           |
|                                                    | 37,269                                  | 40,545           |

## Notes to the financial statements

at 31 December 2002

### 18. Obligations under finance leases and hire purchase contracts

The maturity of these amounts is as follows:

|                                                                     | 2002    | 2001    |
|---------------------------------------------------------------------|---------|---------|
|                                                                     | £       | £       |
| Amounts payable                                                     |         |         |
| Within one year                                                     | 112,275 | 86,261  |
| In two to five years                                                | 179,276 | 154,237 |
|                                                                     | <hr/>   | <hr/>   |
|                                                                     | 291,551 | 240,498 |
| Less finance charges allowed to future periods                      | 42,631  | 28,021  |
|                                                                     | <hr/>   | <hr/>   |
| Balance at 31 December                                              | 248,920 | 212,477 |
|                                                                     | <hr/>   | <hr/>   |
| Finance leases and hire purchase contracts are analysed as follows: |         |         |
| Current obligations                                                 | 95,731  | 76,245  |
| Non-current obligations                                             | 153,189 | 136,232 |
|                                                                     | <hr/>   | <hr/>   |
|                                                                     | 248,920 | 212,477 |
|                                                                     | <hr/>   | <hr/>   |

### 19. Transactions with related parties

Services of £31,590 (2001 - £23,250) were provided to Marston Lindsay Ross International Limited, a group undertaking. Services of £601,250 (2001 - £583,736) were provided by Viola Media Services Limited, the parent company. At 31 December 2002, Marston Book Services Limited owed £44,622 (2001-£135,000) to Marston Lindsay Ross international Limited, and Marston Lindsay Ross International Limited owed £71,409 (2001 - nil) to Marston Book Services Limited. At 31 December 2002, Viola Media Services Limited owed £426,113 (2001 - £522,423) to Marston Book Services Limited.

### 20. Parent undertaking

The company is a wholly owned subsidiary of Viola Media Services Limited. The company's financial statements are available from 160 Milton Park, Abingdon, Oxfordshire OX14 4SD.