

1186721

# Marston Book Services Limited

## Report and Financial Statements

31 December 2012

THURSDAY



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COMPANIES HOUSE

# **Marston Book Services Limited**

Registered No 01186721

## **Directors**

P J Holloran - Chairman

R Clayton

W G Cooper

## **Secretary**

W G Cooper

## **Auditor**

Baker Tilly UK Audit LLP

25 Farringdon Street

London

EC4A 4AB

## **Registered office**

160 Eastern Avenue

Milton Park

Abingdon

Oxfordshire

OX14 4SB

## Directors' report

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 December 2012

### Results and dividends

The profit for the year, after taxation, amounted to £31,932 (2011 – £273,137)

The directors recommended and paid an interim dividend of £1.40 per share (2011 - £0.60) during the year

### Principal activity and review of the business

The principal activity of the company continued to be that of book and journal fulfilment, subscriptions management and, digital printing

The company made a small profit of £31,932 for the year, down on the previous year. We lost a couple of significant clients during the year and we are facing tighter margins from increased competition in the market place. E book sales are having an impact on our physical book sales.

On the upside we secured a significant new publisher who came on board in September 2013 who together with a few other new publishers will benefit sales in the latter part of 2013.

### Risks and uncertainties

The main risks facing the company are the loss of clients, particularly where its clients are acquired by other publishers, and from the e-product developments that the market is introducing which will be both a threat to current sales and an opportunity for development. However, as most clients contract for 3 years or more, the company is able to plan in advance for such events.

### Directors

The directors during the year were as follows

P J Holloran - Chairman

R Clayton

W G Cooper

### Post balance sheet events

On 18 March 2013 the company paid a dividend of £150,000 (£0.60 per share), and on 19 April 2013 the company paid a further dividend of £200,000 (£0.80 per share).

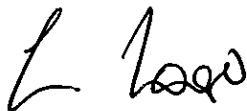
### Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditor

A resolution to appoint Baker Tilly UK Audit LLP as the Company's auditor will be put to the shareholders at the forthcoming Annual General Meeting.

By order of the board



W G Cooper

Secretary

23 September 2013

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

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors 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 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 accounting estimates that are reasonable and prudent, 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 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. 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 auditor's report**

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

We have audited the financial statements on pages 5 to 17

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor**

As more fully explained in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit**

A description of the scope of an audit of financial statements is provided on the APB's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

*Baker Tilly UK Audit LLP*

Graham Ricketts (Senior Statutory Auditor)  
For and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London EC4A 4AB

*25 September 2013*

## Profit and loss account

For the year ended 31 December 2012

|                                                      | Notes | 2012<br>£       | 2011<br>£      |
|------------------------------------------------------|-------|-----------------|----------------|
| <b>Turnover</b>                                      | 2     | 6,885,587       | 7,272,684      |
| Administrative expenses                              |       | (6,895,633)     | (6,944,253)    |
| <b>Operating (loss)/profit</b>                       |       | <u>(10,046)</u> | <u>328,431</u> |
| Interest receivable                                  | 4     | 50,616          | 47,072         |
| Interest payable                                     | 5     | (881)           | (3,526)        |
|                                                      |       | <u>49,735</u>   | <u>43,546</u>  |
| <b>Profit on ordinary activities before taxation</b> | 3     | 39,689          | 371,977        |
| Tax on profit on ordinary activities                 | 6     | (7,757)         | (98,840)       |
| <b>Profit for the financial year</b>                 |       | <u>31,932</u>   | <u>273,137</u> |

## Continuing operations

All of the company's activities are classed as continuing

## Total recognised gains and losses

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

# Balance Sheet

at 31 December 2012

Company No: 01186721

|                                                      | Notes | 2012<br>£        | 2011<br>£        |
|------------------------------------------------------|-------|------------------|------------------|
| <b>Fixed assets</b>                                  |       |                  |                  |
| Tangible assets                                      | 8     | 356,372          | 381,071          |
| Investments                                          | 9     | 75,525           | 75,525           |
|                                                      |       | <u>431,897</u>   | <u>456,596</u>   |
| <b>Current assets</b>                                |       |                  |                  |
| Stocks                                               | 10    | 83,944           | 85,365           |
| Debtors                                              | 11    | 1,675,100        | 1,428,467        |
| Cash at bank and in hand                             |       | <u>2,413,543</u> | <u>3,097,173</u> |
|                                                      |       | 4,172,587        | 4,611,005        |
| <b>Creditors</b> amounts falling due within one year | 12    | (1,145,535)      | (1,282,700)      |
| <b>Net current assets</b>                            |       | <u>3,027,052</u> | <u>3,328,305</u> |
| <b>Total assets less current liabilities</b>         |       | 3,458,949        | 3,784,901        |
| <b>Provisions for liabilities</b>                    | 13    | (14,916)         | (22,800)         |
| <b>Net assets</b>                                    |       | <u>3,444,033</u> | <u>3,762,101</u> |
| <b>Capital and reserves</b>                          |       |                  |                  |
| Called up share capital                              | 14    | 250,000          | 250,000          |
| Profit and loss account                              | 16    | 3,194,033        | 3,512,101        |
| <b>Shareholders' funds</b>                           | 16    | <u>3,444,033</u> | <u>3,762,101</u> |

Approved and authorised for issue by the board of directors on 23 September 2013

P J Holloran  
Director

# Notes to the financial statements

at 31 December 2012

## 1. Accounting policies

### *Accounting convention*

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

These financial statements present information about the company as an individual undertaking and not about its group, on the grounds that the results of the company are included in the consolidated financial statements of its parent company, Viola Media Services Ltd, and the company is therefore exempt from preparing consolidated financial statements under the Companies Act 2006

### *Cash flow statement*

The company is a wholly owned subsidiary of Viola Media Services Limited, which prepares a consolidated cash flow statement, and consequently a cash flow statement is not prepared with these financial statements in accordance with the exemption conferred by Financial Reporting Standard 1

### *Client funds*

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 accounts 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

### *Revenue recognition*

Revenue is recognised when the provision of services is substantially fulfilled. Where the books have been delivered to a reseller and the books are held by that reseller on a consignment basis, the revenue for the services rendered by the company is recognised either when the books are sold on by the reseller, or when the provision of services is substantially fulfilled

### *Tangible fixed assets*

Tangible fixed assets are initially recorded at cost

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

|                        |   |                   |
|------------------------|---|-------------------|
| Plant and equipment    | - | 3 to 5 years      |
| Motor vehicles         | - | 3 years           |
| Leasehold improvements | - | term of the lease |

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 exception that 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

# Notes to the financial statements

at 31 December 2012

## 1. Accounting policies (continued)

### ***Stocks***

Stocks are valued at the lower of cost and net realisable value

### ***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. Contributions are charged to the profit and loss account as incurred.

### ***Fixed asset investments***

Fixed asset investments are initially recorded at cost.

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

### ***Going Concern***

The directors have reviewed cash flow forecasts and the company's funding requirements and availability of cash resources for the coming year. The directors remain satisfied with the company's funding and liquidity position and, on the basis of its forecasts, have concluded that the going concern basis of preparation continues to be appropriate.

## 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 the warehousing and fulfilment of books and journals and digital printing in the United Kingdom.

# Notes to the financial statements

at 31 December 2012

## 3. Profit on ordinary activities before taxation:

This is stated after charging

|                                             | 2012    | 2011    |
|---------------------------------------------|---------|---------|
|                                             | £       | £       |
| Auditor's remuneration – audit services     | 15,700  | 15,700  |
| Depreciation                                | 118,834 | 108,317 |
| - owned assets                              |         |         |
| -assets held under hire purchase agreements | 15,140  | 31,714  |
| Operating lease rentals                     | 183,708 | 211,565 |
| - equipment                                 |         |         |
| -land and buildings                         | 598,355 | 598,355 |

## 4. Interest receivable

|               | 2012          | 2011          |
|---------------|---------------|---------------|
|               | £             | £             |
| Bank interest | 50,616        | 42,909        |
| Other         | -             | 4,163         |
|               | <u>50,616</u> | <u>47,072</u> |

## 5. Interest payable

|                        | 2012       | 2011         |
|------------------------|------------|--------------|
|                        | £          | £            |
| Hire purchase interest | <u>881</u> | <u>3,526</u> |

# Notes to the financial statements

at 31 December 2012

## 6. Tax on profit on ordinary activities

Analysis of charge for year

|                                                | 2012<br>£      | 2011<br>£     |
|------------------------------------------------|----------------|---------------|
| Current tax                                    |                |               |
| UK corporation tax on the profit for the year  | 8,484          | 94,233        |
| Adjustment in respect of prior years           | 378            | (134)         |
| Group relief                                   | 6,779          | -             |
| <b>Total current tax (note 6 (b))</b>          | <b>15,641</b>  | <b>94,099</b> |
| Deferred tax                                   |                |               |
| Origination and reversal of timing differences | (7,884)        | 4,743         |
| Adjustment in respect of prior years           | -              | (2)           |
| <b>Total deferred tax (note 13)</b>            | <b>(7,884)</b> | <b>4,741</b>  |
| <b>Total tax charge for year</b>               | <b>7,757</b>   | <b>98,840</b> |

### (b) Factors affecting current tax charge for the year

The tax assessed for the year is higher (2011 - lower) than the standard rate of corporation tax in the UK  
The differences are explained below

|                                                                                                                | 2012<br>£     | 2011<br>£     |
|----------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Profit on ordinary activities before tax                                                                       | 39,689        | 371,977       |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 - 26%) | 9,526         | 96,714        |
| Effects of                                                                                                     |               |               |
| Expenses not deductible for tax purposes                                                                       | 2,659         | 2,947         |
| Difference between capital allowances and depreciation                                                         | 7,884         | (4,743)       |
| Other timing differences                                                                                       | (4,806)       | (685)         |
| Adjustment in respect of prior years                                                                           | 378           | (134)         |
| <b>Current tax charge for the year (note 6 (a))</b>                                                            | <b>15,641</b> | <b>94,099</b> |

# Notes to the financial statements

at 31 December 2012

## 7. Directors and employees

### a) Employee costs

|                       | 2012             | 2011             |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 2,138,788        | 2,152,574        |
| Social security costs | 190,701          | 194,346          |
| Other pension costs   | 87,129           | 98,256           |
|                       | <u>2,416,618</u> | <u>2,445,176</u> |

### (b) Average monthly number of employees

|                            | No         | No         |
|----------------------------|------------|------------|
| Warehouse and distribution | 45         | 47         |
| Administration             | 63         | 62         |
|                            | <u>108</u> | <u>109</u> |

### (c) Directors' remuneration

|                       | £             | £             |
|-----------------------|---------------|---------------|
| Emoluments            | 75,037        | 69,377        |
| Pension contributions | 7,537         | 6,635         |
|                       | <u>82,574</u> | <u>76,012</u> |

The number of directors for whom retirement benefits are accruing under money purchase schemes was one (2011 one)

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

# Notes to the financial statements

at 31 December 2012

## 8. Tangible fixed assets

|                     | Leasehold<br>improvements<br>£ | Plant and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|---------------------|--------------------------------|-----------------------------|------------------------|------------|
| Cost                |                                |                             |                        |            |
| At 1 January 2012   | 70,246                         | 4,146,367                   | 27,969                 | 4,244,582  |
| Additions           | -                              | 109,275                     | -                      | 109,275    |
| At 31 December 2012 | 70,246                         | 4,255,642                   | 27,969                 | 4,353,857  |
| Depreciation        |                                |                             |                        |            |
| At 1 January 2012   | 68,024                         | 3,767,518                   | 27,969                 | 3,863,511  |
| Charge for the year | 2,222                          | 131,752                     | -                      | 133,974    |
| At 31 December 2012 | 70,246                         | 3,899,270                   | 27,969                 | 3,997,485  |
| Net book value      |                                |                             |                        |            |
| At 31 December 2012 | -                              | 356,372                     | -                      | 356,372    |
| At 31 December 2011 | 2,222                          | 378,849                     | -                      | 381,071    |

The net book value of assets held under hire purchase agreements at 31 December 2012 was £43,359 (2011 - £58,500) Depreciation of assets held under finance leases was £15,141 (2011 - £31,714)

## 9. Investments

|                                                | 2012<br>£ | 2011<br>£ |
|------------------------------------------------|-----------|-----------|
| Investments in subsidiary undertakings at cost | 75,525    | 75,525    |

The investment in subsidiary undertakings comprises 100% of the issued ordinary share capital of Orca Book Services Limited, a book distribution company incorporated in the UK That company had a loss for the financial year of £49,680 (2011 profit of £163,073) and capital and reserves at the balance sheet date of £601,484 (2011 £651,164)

## 10. Stocks

|                               | 2012<br>£ | 2011<br>£ |
|-------------------------------|-----------|-----------|
| Raw materials and consumables | 83,944    | 85,365    |

The difference between purchase price or production cost of stocks and their replacement cost is not material

# Notes to the financial statements

at 31 December 2012

## 11. Debtors

|                                | 2012             | 2011             |
|--------------------------------|------------------|------------------|
|                                | £                | £                |
| Trade debtors                  | 857,116          | 986,381          |
| Amount owed by parent company  | 269,159          | 72,670           |
| Other debtors                  | 59,893           | 10,681           |
| Prepayments and accrued income | 488,932          | 358,735          |
|                                | <u>1,675,100</u> | <u>1,428,467</u> |

The company acts as distribution agent for a number of publishers. The company invoices on behalf of its clients for sales made to their customers. Cash collected on behalf of clients is banked into separate trust accounts, which are not included in these financial statements, and cash is remitted to clients in accordance with contractual terms. Trade debtors in these financial statements exclude these amounts. The company invoiced £43 million on behalf of its clients in 2012 (2011: £45 million).

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

|                                                     | 2012             | 2011             |
|-----------------------------------------------------|------------------|------------------|
|                                                     | £                | £                |
| Trade creditors                                     | 388,849          | 578,031          |
| Obligations under hire purchase contracts (note 18) | -                | 4,972            |
| Amount due to group undertaking                     | 10,000           | 10,000           |
| Amount owed to subsidiary undertaking               | 51,456           | 6,292            |
| Corporation tax                                     | 8,484            | 94,233           |
| Other taxation and social security                  | 189,926          | 228,228          |
| Accruals and deferred income                        | 496,820          | 360,944          |
|                                                     | <u>1,145,535</u> | <u>1,282,700</u> |

Obligations under hire purchase contracts are secured on the assets financed under those agreements.

# Notes to the financial statements

at 31 December 2012

## 13. Provisions for liabilities

Deferred taxation provided in the financial statements, at a corporation rate of 24% (2011 26%), is as follows

|                                                                         | 2012<br>£     | 2011<br>£     |
|-------------------------------------------------------------------------|---------------|---------------|
| Fixed asset timing differences                                          | 14,916        | 22,800        |
| Deferred tax liability                                                  | <u>14,916</u> | <u>22,800</u> |
| Liability at start of year                                              | 22,800        | 18,059        |
| Deferred tax charge in profit and loss account for the year (note 6(a)) | (7,884)       | 4,743         |
| Adjustment in respect of prior years                                    | -             | (2)           |
| Liability at end of year                                                | <u>14,916</u> | <u>22,800</u> |

There are no unprovided deferred tax amounts

## 14. Share capital

|                                    | Allotted,<br>called up and fully paid |                |
|------------------------------------|---------------------------------------|----------------|
|                                    | 2012<br>£                             | 2011<br>£      |
| 250,000 ordinary shares of £1 each | <u>250,000</u>                        | <u>250,000</u> |

## 15. Dividends

|                                     | 2012<br>£ | 2011<br>£      |
|-------------------------------------|-----------|----------------|
| Declared and paid during the year   |           |                |
| Equity dividends on ordinary shares |           |                |
| Interim for 2012 £1 40/share        | 350,000   | -              |
| Interim for 2011 £0 60/share        | <u>-</u>  | <u>150,000</u> |

# Notes to the financial statements

at 31 December 2012

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

|                     | Share capital | Profit and loss account | Total     |
|---------------------|---------------|-------------------------|-----------|
|                     | £             | £                       | £         |
| At 1 January 2011   | 250,000       | 3,388,964               | 3,638,964 |
| Profit for the year | -             | 273,137                 | 273,137   |
| Dividends           | -             | (150,000)               | (150,000) |
| At 31 December 2011 | 250,000       | 3,512,101               | 3,762,101 |
| Profit for the year | -             | 31,932                  | 31,932    |
| Dividends           | -             | (350,000)               | (350,000) |
| At 31 December 2012 | 250,000       | 3,194,033               | 3,444,033 |

## 17. Financial commitments

The following amount is payable under non-cancellable operating leases in existence at 31 December 2012

|                                                          | Land and buildings |         |
|----------------------------------------------------------|--------------------|---------|
|                                                          | 2012               | 2011    |
|                                                          | £                  | £       |
| Operating leases which expire between one and five years | 259,080            | -       |
| Operating leases which expire in over five years         | 198,600            | 457,680 |

|                                                          | Plant and machinery |         |
|----------------------------------------------------------|---------------------|---------|
|                                                          | 2012                | 2011    |
|                                                          | £                   | £       |
| Operating leases which expire between one and five years | 142,938             | 224,824 |

# Notes to the financial statements

at 31 December 2012

## 18. Obligations under hire purchase contracts

The maturity of these amounts is as follows

|                                                  | 2012<br>£ | 2011<br>£    |
|--------------------------------------------------|-----------|--------------|
| Amounts payable                                  |           |              |
| Within one year                                  | -         | 5,853        |
| Less finance charges allocated to future periods | -         | (881)        |
| Balance at 31 December                           | <u>-</u>  | <u>4,972</u> |
| Hire purchase contracts are analysed as follows  |           |              |
| Current obligations                              | <u>-</u>  | <u>4,972</u> |

## 19. Transactions with related parties

Transactions with the parent company and other group companies have not been disclosed in these financial statements in accordance with the exemption in Financial Reporting Standard 8

The company has undertaken transactions with Flame Tree Publishing Limited, an associated undertaking of its parent company, during the year. It invoiced £136,235 (2011 £nil) in respect of distribution and accounting services. At the balance sheet date £22,162 (2011 nil) was due from Flame Tree Publishing Limited to the company.

## 20. Contingent liabilities

The company is a member of a group VAT registration. At 31 December 2012 the company had no potential liability under the terms of the registration as the whole of the VAT creditor was included in the company's balance sheet (2011 £nil).

## 21. Post balance sheet events

On 18 March 2013 the company paid a dividend of £150,000. On 19 April 2013 the company paid a dividend of £200,000.

# Notes to the financial statements

at 31 December 2012

## 22. Funds held for clients

At 31 December 2012 the company held approximately £4.2 million (2011: £3.3 million) in separate designated client accounts for its publishing clients. This amount and the corresponding liability to clients are not included in the balance sheet.

## 23. Parent undertaking

The company is a wholly owned subsidiary of Viola Media Services Limited, a company incorporated in Great Britain and registered in England and Wales. The company's immediate and ultimate parent undertaking is also Viola Media Services Limited. The company's financial statements are available from 160 Milton Park, Abingdon, Oxfordshire OX14 4SD.

Viola Media Services Limited is both the largest and smallest group for which consolidated accounts are prepared.