

Registration Number 2375310

Anness Publishing Limited
Director's Report and Financial Statements
for the year ended 31 August 1994



Anness Publishing Limited

**Director's Report
for the year ended 31 August 1994**

The director presents his report and the financial statements for the year ended 31 August 1994.

Principal Activity and Review of the Business

The principal activity of the company remained that of publishing and editing both in the United Kingdom and overseas.

The company is continuing to show increased market share along with increased profitability.

Results And Dividends

The results for the year are set out on page 3.

It is proposed that the retained profit of £203,839 is transferred to reserves.

Fixed Assets

Full disclosure of all matters relating to fixed assets are set out in note 9 of the financial statements.

Director and his Interest

The director who served during the year and his interest in the company are as stated below:

	Class of share	Number of shares	
		1994	1993
Mr P L Anness	£1 Ordinary Class A shares	500	500
	£1 Ordinary Class B shares	475	475

During the year the company contributed £720 to charities.

Director's Responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Michael Leong and Company be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 24 May 1995 and signed on its behalf by

Ms J Lorenz
Secretary



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Auditors' Report to the Shareholders of Anness Publishing Limited

We have audited the financial statements on pages 3 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of director and auditors

As described on page 1 the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

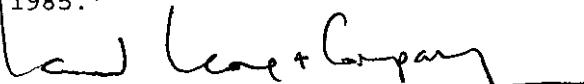
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and 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.

Opinion

'In our opinion the financial statements give a true and fair view of the state of the company's affairs as at the 31 August 1994 and of its Profit for the year ended and have been properly prepared in accordance with the Companies Act 1985.'


Michael Leong and Company

Chartered Accountants and
Registered Auditors

43 Overstone Road
London W6 0AD

24 May 1995

Anness Publishing Limited

**Profit and Loss Account
for the year ended 31 August 1994**

		Continuing operations	
		1994	1993
	Notes	£	£
Turnover	2	5,541,984	2,920,927
Cost of sales		(4,764,249)	(2,327,967)
Gross profit		<u>777,735</u>	<u>592,960</u>
Distribution costs		(321,766)	(250,454)
Administrative expenses		(249,119)	(142,094)
Other operating income		<u>57,134</u>	<u>64,189</u>
Operating profit	3	263,984	264,601
Interest receivable and similar income	4	2,975	2,579
Interest payable and similar charges	5	<u>(16,513)</u>	<u>(11,526)</u>
Profit on ordinary activities before taxation		250,446	255,654
Tax on profit on ordinary activities	8	<u>(46,607)</u>	<u>(63,864)</u>
Profit on ordinary activities after taxation		<u>203,839</u>	<u>191,790</u>
Retained profit for the year		<u><u>203,839</u></u>	<u><u>191,790</u></u>

There are no recognised gains and losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 12 form an integral part of these financial statements.

Anness Publishing Limited

**Balance Sheet
as at 31 August 1994**

	Notes	1994		1993	
		£	£	£	£
Fixed Assets					
Tangible assets	9		13,159		9,476
Current Assets					
Stocks	10	1,165,837		245,650	
Debtors	11	2,714,078		1,724,336	
Cash at bank and in hand		448,773		86,982	
		<u>4,328,688</u>		<u>2,056,968</u>	
Creditors: amounts falling due within one year	12	<u>(3,847,145)</u>		<u>(1,775,197)</u>	
Net Current Assets			<u>481,543</u>		<u>281,771</u>
Total Assets Less Current Liabilities			494,702		291,247
Creditors: amounts falling due after more than one year	13		-		(385)
Net Assets			<u><u>494,702</u></u>		<u><u>290,862</u></u>
Capital and Reserves					
Called up share capital	14		1,000		1,000
Profit and loss account			493,702		289,862
Equity Shareholders' Funds	15		<u><u>494,702</u></u>		<u><u>290,862</u></u>

The financial statements were approved by the Board on 24 May 1995 and signed on its behalf by

Mr P L Anness
Director



The notes on pages 6 to 12 form an integral part of these financial statements.

Anness Publishing Limited

**Cash Flow Statement
for the year ended 31 August 1994**

	Notes	£	£
Net cash outflow from operating activities	16		(120,452)
Returns on investments and servicing of finance			
Interest received		2,975	
Interest paid		(16,513)	
Interest element of finance lease rentals		-	
Net cash outflow from return on investments and servicing of finance			(13,538)
Investing activities			
Payments to acquire tangible assets		(15,882)	
Net cash outflow from investing activities			(15,882)
Net cash outflow before financing			(149,872)
Net cash inflow from financing			-
Decrease in cash and cash equivalents	18		(149,872)

The notes on pages 6 to 12 form an integral part of these financial statements.

Anness Publishing Limited

**Notes to the Financial Statements
for the year ended 31 August 1994**

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has consistently applied all relevant accounting standards.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided to customers, from the publishing projects undertaken by the company, excluding VAT.

1.3 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 25% Straight Line
Motor vehicles	- 25% Straight Line

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5 Stock and work in progress

Work in progress comprise of direct development expenditure, excluding printing costs, incurred on titles owned by the company. Development costs are written off to the profit and loss account on a systematic basis, the objective of which is to provide a reasonable matching of revenue and costs in each accounting period.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Anness Publishing Limited

**Notes to the Financial Statements
for the year ended 31 August 1994**

2. Turnover

	Turnover	
	1994	1993
	£	£
Geographical market		
UK	1,630,308	875,710
European sales	130,072	(16,697)
Worldwide sales	3,781,604	2,061,914
	<u>5,541,984</u>	<u>2,920,927</u>

Turnover attributable to geographical markets outside the United Kingdom amounted to 70.58% for the year.

3. Operating profit

	1994	1993
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	12,198	8,393
Hire of plant and machinery	-	251
Auditors' remuneration	5,000	5,280
	<u>57,134</u>	<u>64,189</u>
and after crediting:		
Profit on foreign currencies	<u>57,134</u>	<u>64,189</u>

4. Interest receivable and similar income

	1994	1993
	£	£
Bank interest	<u>2,975</u>	<u>2,579</u>

5. Interest payable and similar charges

	1994	1993
	£	£
On bank loans and overdrafts	15,732	9,770
Hire purchase interest	781	1,756
	<u>16,513</u>	<u>11,526</u>

Anness Publishing Limited

**Notes to the Financial Statements
for the year ended 31 August 1994**

6. Employees

Number of employees

The average weekly numbers of employees (including the director) during the year were:

	1994	1993
	Number	Number
Servicing	8	8
Selling	2	3
Administration	1	1
	<u>11</u>	<u>12</u>

Employment costs

	1994	1993
	£	£
Wages and salaries	236,045	182,952
Social security costs	25,451	16,604
Other pension costs	8,287	3,415
	<u>269,783</u>	<u>202,971</u>

6.1 Director's emoluments

	1994	1993
	£	£
Remuneration		
Director's emoluments	<u>29,771</u>	<u>26,140</u>

7. Pension costs

Staff and director's pension costs amounted to £7,011 and £1,276 respectively.

8. Taxation

	1994	1993
	£	£
UK current year taxation		
UK Corporation Tax at 25% (1993 - 25%)	<u>46,607</u>	<u>63,864</u>

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**Notes to the Financial Statements
for the year ended 31 August 1994**

9. Tangible assets

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 September 1993	24,898	-	24,898
Additions	10,485	5,397	15,882
At 31 August 1994	35,383	5,397	40,780
Depreciation			
At 1 September 1993	15,423	-	15,423
Charge for the year	10,849	1,349	12,198
At 31 August 1994	26,272	1,349	27,621
Net book values			
At 31 August 1994	9,111	4,048	13,159
At 31 August 1993	9,475	-	9,475

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	1994		1993	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Fixtures, fittings and equipment	1,625	1,625	3,250	1,650
	1,625	1,625	3,250	1,650

10. Stocks

	1994 £	1993 £
Stocks (incl work in progress £528,257)	1,165,837	245,650

11. Debtors

	1994 £	1993 £
Trade debtors	2,660,468	1,712,845
Other debtors	46,090	11,491
Prepayments and accrued income	7,520	-
	2,714,078	1,724,336

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**Notes to the Financial Statements
for the year ended 31 August 1994**

12. Creditors: amounts falling due within one year	1994 £	1993 £
Bank overdraft	731,003	219,340
Net obligations under finance leases and hire purchase contracts	927	2,295
Trade creditors	2,953,008	1,439,149
Corporation tax	110,011	62,659
Other taxes and social security costs	10,043	5,323
Other creditors	4,499	-
Accruals and deferred income	37,654	46,431
	<u>3,847,145</u>	<u>1,775,197</u>
	<u><u>3,847,145</u></u>	<u><u>1,775,197</u></u>
 13. Creditors: amounts falling due after more than one year	 1994 £	 1993 £
Net obligations under finance leases and hire purchase contracts	-	385
	<u>-</u>	<u>385</u>
	<u><u>-</u></u>	<u><u>385</u></u>
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year	927	3,270
Repayable between one and five years	-	385
	<u>927</u>	<u>3,655</u>
Finance charges and interest allocated to future accounting periods	-	(975)
	<u>-</u>	<u>(975)</u>
Wholly repayable within five years	<u>927</u>	<u>2,680</u>
	<u><u>927</u></u>	<u><u>2,680</u></u>

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**Notes to the Financial Statements
for the year ended 31 August 1994**

14. Share capital	1994	1993
	£	£
Authorised equity		
500 £1 Ordinary Class A shares of £1 each	500	500
500 £1 Ordinary Class B shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
 Allotted, called up and fully paid equity		
500 £1 Ordinary Class A shares of £1 each	500	500
500 £1 Ordinary Class B shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
 15. Reconciliation of movements in shareholders' funds	1994	1993
	£	£
Profit for the year	203,839	191,790
Opening shareholders' funds	290,863	99,072
	<u>494,702</u>	<u>290,862</u>
 16. Reconciliation of operating profit to net cash outflow from operating activities		1994
		£
Operating profit		263,984
Depreciation		12,198
(Increase) in stocks		(920,187)
(Increase) in debtors		(989,742)
Increase in creditors		1,513,295
Net cash outflow from operating activities		<u>(120,452)</u>
 17. Analysis of changes in cash and cash equivalents during the year		1994
		£
Balance as at 1 September 1993		(132,358)
Net cash outflow		(149,872)
Balance as at 31 August 1994		<u>(282,230)</u>

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Notes to the Financial Statements
for the year ended 31 August 1994

18. Cash and cash equivalents as shown in the Balance Sheet

	1994 £	1993 £	Change in year £
Cash at bank and in hand	448,773	86,982	361,791
Bank overdrafts and loans	(731,003)	(219,340)	(511,663)
	<u>(282,230)</u>	<u>(132,358)</u>	<u>(149,872)</u>

19. Analysis of changes in financing
during the year

	Opening balance £	Net cash inflow from financing £	Other movements £	Closing balance £
Ordinary share capital	1,000	-	-	1,000
Capital element of hire purchase contracts	2,295	(1,368)	-	927
Total: current year	<u>3,295</u>	<u>(1,368)</u>	<u>-</u>	<u>1,927</u>