

Anness Publishing Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 January 2017

Lambert Chapman LLP
Chartered Accountants
3 Warners Mill
Silks Way
Braintree
Essex
CM7 3GB

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Anness Publishing Limited

Contents

Company Information	1
Statement of Comprehensive Income	2
Balance Sheet	3
Statement of Changes in Equity	4
Notes to the Financial Statements	5 to 10

Anness Publishing Limited

Company Information

Directors	P L Anness
	J Lorenz
	B J Worley
	H Sudell
Company secretary	J Lorenz
Registered office	3 Warners Mill Silks Way Braintree Essex CM7 3GB
Bankers	Barclays Bank PLC 1 Churchill Place Leicester LE87 2BB
Accountants	Lambert Chapman LLP Chartered Accountants 3 Warners Mill Silks Way Braintree Essex CM7 3GB

Anness Publishing Limited

Statement of Comprehensive Income for the Year Ended 31 January 2017

	2017	2016
	£	£
Loss for the year	<u>(206,361)</u>	<u>(604,206)</u>
Total comprehensive income for the year	<u><u>(206,361)</u></u>	<u><u>(604,206)</u></u>

Anness Publishing Limited

(Registration number: 02375310)
Balance Sheet as at 31 January 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	22,949	37,363
Investments	6	663,020	662,920
		<u>685,969</u>	<u>700,283</u>
Current assets			
Stocks	7	4,273,164	5,210,459
Debtors	8	3,640,582	2,228,577
Cash at bank and in hand		1,973,309	3,014,892
		<u>9,887,055</u>	<u>10,453,928</u>
Creditors: Amounts falling due within one year	9	<u>(677,168)</u>	<u>(970,198)</u>
Net current assets		<u>9,209,887</u>	<u>9,483,730</u>
Total assets less current liabilities		9,895,856	10,184,013
Provisions for liabilities		<u>19,075</u>	<u>3,946</u>
Net assets		<u>9,914,931</u>	<u>10,187,959</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		9,913,931	10,186,959
Total equity		<u>9,914,931</u>	<u>10,187,959</u>

For the financial year ended 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

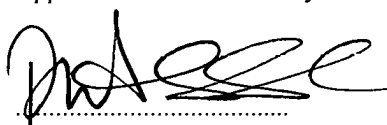
Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 18th June 2017 and signed on its behalf by:



P.L. Anness
Director

Anness Publishing Limited

Statement of Changes in Equity for the Year Ended 31 January 2017

	Share capital £	Profit and loss account £	Total £
At 1 February 2016	<u>1,000</u>	<u>10,186,958</u>	<u>10,187,958</u>
Loss for the year	<u>-</u>	<u>(206,361)</u>	<u>(206,361)</u>
Total comprehensive income	<u>-</u>	<u>(206,361)</u>	<u>(206,361)</u>
Dividends	<u>-</u>	<u>(66,666)</u>	<u>(66,666)</u>
At 31 January 2017	<u><u>1,000</u></u>	<u><u>9,913,931</u></u>	<u><u>9,914,931</u></u>

	Share capital £	Profit and loss account £	Total £
At 1 February 2015	<u>1,000</u>	<u>10,791,165</u>	<u>10,792,165</u>
Loss for the year	<u>-</u>	<u>(604,206)</u>	<u>(604,206)</u>
Total comprehensive income	<u>-</u>	<u>(604,206)</u>	<u>(604,206)</u>
At 31 January 2016	<u><u>1,000</u></u>	<u><u>10,186,959</u></u>	<u><u>10,187,959</u></u>

Anness Publishing Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

1 General information

The company is a private company limited by share capital incorporated in England & Wales.

The address of its registered office is: 3 Warners Mill, Silks Way, Braintree, Essex, CM7 3GB.

The principal place of business is: 108 Great Russell Street, London, WC1B 3NA.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These are the first financial statements of the company prepared under FRS 102 Section 1A. The date of transition was 1 February 2015.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

These financial statements are presented in Sterling (£), which is the company's functional currency.

Group accounts not prepared

The company is the parent of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts..

Going concern

The financial statements have been prepared on a going concern basis, which the directors consider appropriate based on their review of the business for the foreseeable future, the company's strong balance sheet and its available cash reserves.

Foreign currency transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Anness Publishing Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold properties	over the life of the lease
Fixtures, fittings and equipment	25-50% straight line
Computer equipment	25-50% straight line
Motor vehicles	20% straight line

Goodwill

Intangible assets consist of goodwill on acquisitions and represent the difference between the purchase price and fair value of the net assets at acquisition.

Positive goodwill is capitalised, classified as an asset on the balance sheet and is amortised over its useful economic life. Positive goodwill is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Positive goodwill	Straight line over 3 years

Investments

Fixed asset investments are stated at historical cost less provision for any diminution in value. The carrying value of fixed asset investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may be impaired.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at transaction price less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Published books are stated at the lower of cost and net realisable value.

Work in progress includes all external costs of bringing a new book to publication. In the year of acquisition 35% of the cost is taken to the profit and loss account. The remaining 65% of the cost is capitalised and amortised over 7 years, the period of expected revenue generation. The amortisation is charged 73% over 4 years, with 9% per year in the final 3 years.

Anness Publishing Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due.

Copyrights

The company owns copyrights to its titles. To comply with applicable accounting standards, no valuation has been given to these rights.

Financial instruments

The company uses forward foreign currency contracts to reduce exposure to foreign exchange rates during the year.

Where a forward currency contract is outstanding at the year end then monetary assets and liabilities relating to the forward contract are translated at the forward contract rate.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 23 (2016 - 27).

Anness Publishing Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 February 2016	168,028	168,028
At 31 January 2017	168,028	168,028
Amortisation		
At 1 February 2016	168,028	168,028
At 31 January 2017	168,028	168,028
Carrying amount		
At 31 January 2017	-	-

5 Tangible assets

	Office equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 February 2016	321,829	542	49,707	372,078
Disposals	(1,960)	-	(6,289)	(8,249)
At 31 January 2017	319,869	542	43,418	363,829
Depreciation				
At 1 February 2016	284,466	542	49,707	334,715
Charge for the year	14,414	-	-	14,414
Eliminated on disposal	(1,960)	-	(6,289)	(8,249)
At 31 January 2017	296,920	542	43,418	340,880
Carrying amount				
At 31 January 2017	22,949	-	-	22,949
At 31 January 2016	33,350	1	4,012	37,363

6 Investments

	2017 £	2016 £
Investments in subsidiaries	400,100	400,000
Other investments	262,920	262,920
	663,020	662,920

Anness Publishing Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Subsidiaries	£
Cost or valuation	
At 1 February 2016	671,961
Additions	100
Disposals	<u>(100)</u>
At 31 January 2017	<u>671,961</u>
Provision	
At 1 February 2016	271,961
Eliminated on disposals	<u>(100)</u>
At 31 January 2017	<u>271,861</u>
Carrying amount	
At 31 January 2017	<u>400,100</u>
At 31 January 2016	<u>400,000</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	
		2017	2016
Subsidiary undertakings			
Book Trade Services Ltd	Ordinary £1 shares	100%	100%
Practical Pictures Limited	Ordinary £1 shares	100%	100%
BJ Books Limited	Ordinary £1 shares	82.5%	82.5%

Book Trade Services Limited is a dormant company.

Practical Pictures Limited is a dormant company.

The principal activity of BJ Books Limited is the retail sale of books.

Other investments

The other investment value of £262,920 is stated at historical cost. The investment was revalued at 31 May 2017 at £435,000, by FJM Services.

7 Stocks

	2017 £	2016 £
Work in progress	749,498	927,959
Finished goods and goods for resale	<u>3,523,666</u>	<u>4,282,500</u>
	<u>4,273,164</u>	<u>5,210,459</u>

Anness Publishing Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

8 Debtors

	Note	2017 £	2016 £
Trade debtors		1,292,136	1,241,260
Amounts owed by group undertakings		1,817,286	470,764
Other debtors		408,700	377,975
Prepayments and accrued income		<u>141,535</u>	<u>142,524</u>
Total current trade and other debtors		<u>3,659,657</u>	<u>2,232,523</u>

Included within other debtors is a deferred tax asset of £333,398 (2016:£350,946) relating to taxable losses and £12,109 (2016:£13,637) relating to decelerated capital allowances.

In addition to the taxable losses provided, there are unrecognised taxable losses available to set off against future profits in the sum of £2,834,426(2016:£2,551,043).

9 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		502,628	750,558
Amounts owed to group undertakings		100	-
Social security and other taxes		17,151	21,590
Directors loan		2,167	-
Other creditors		63,000	153,000
Accruals and deferred income		<u>92,122</u>	<u>45,050</u>
		<u>677,168</u>	<u>970,198</u>

10 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £53,333 (2016 - £267,333).

11 Transition to FRS 102

These financial statements for the year ended 31 January 2017 are the first financial statements for Anness Publishing Limited that have been prepared under the new accounting framework FRS 102 Section 1A.

The date of transition was 1st February 2015. The transition to FRS 102 Section 1A has resulted in no changes to the company's accounting policies compared to those used previously.