

**JEWISH CHRONICLE LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**30 SEPTEMBER 1994**



**CLARK WHITEHILL**  
**Chartered Accountants**

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**JEWISH CHRONICLE LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 1994**

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The Directors submit their report and the Group Financial Statements for the year ended 30 September 1994. These financial statements were approved by the Board of Directors on 1 December 1994.

**STATEMENT OF DIRECTORS RESPONSIBILITIES**

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 group at the end of the year and of the profit or loss of the group for that period. In preparing those financial statements the directors should:

- 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the group 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 of the group 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 of the group and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

**RESULTS AND DIVIDEND**

The results of the Group for the year ended 30 September 1994 are shown in the annexed profit and loss account.

The Directors propose to pay an interim dividend of 50% amounting to £95,955 in December 1994. No final dividend is proposed.

**PRINCIPAL ACTIVITIES**

The principal activity of the company and its subsidiaries during the year was the publishing of the Jewish Chronicle newspaper.

**JEWISH CHRONICLE LIMITED**  
**REPORT OF THE DIRECTORS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 1994**

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**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The trading profit for the year was significantly higher than in 1992/93. This was achieved by a combination of increased revenue from advertising and tight control over our costs.

In the early part of our financial year, your Board accepted the recommendation of the Strategy Sub-Committee, whose formation was reported in last year's review, that the size of the newspaper should be expanded, particularly in the community and leisure sections. It was also decided to discontinue the colour magazine.

These recommendations were implemented in April 1994. Your company has recently undertaken market research to find out reactions of the readers to the changes in the newspaper and the findings of this research were very positive.

More recently, your Board approved the introduction of colour in the editorial pages.

The directors are hopeful that all these changes will ultimately reverse the long term decline in circulation. During 1994 the circulation level has been static compared with previous years.

In April the company had the first pay round since the de-recognition of the Jewish Chronicle Chapel of the National Union of Journalists for collective bargaining. As part of an on-going commitment to the well-being of the staff your Board has introduced from 1 October 1994 a Profit Related Pay Scheme wherein the staff directly participate in the trading profits of the company and such payments will be tax free. Before introduction of the scheme, the staff were balloted and your Board was pleased to note that there was a 100% acceptance of the scheme.

Looking ahead to the new financial year, the directors are expecting that there may be some decline in profitability because of the continuing investment in the newspaper which cannot be expected to be matched in the short term by a commensurate increase in revenue.

Mr Ellis Birk and Mr William Frankel CBE, both former Chairmen of your company, are retiring from the Board. They have made an outstanding contribution to the Jewish Chronicle over a long period. The directors thank them for their dedication.

The directors are pleased to note the appointment of Mr Peter Levy OBE and Mr Shimon Cohen to the Board of your company.

Finally, the directors would like to thank all departments for their contribution towards a successful year.

**JEWISH CHRONICLE LIMITED**  
**REPORT OF THE DIRECTORS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 1994**

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**DIRECTORS AND THEIR INTERESTS**

The directors are as follows:

Mr L Gordon	(Appointed Chairman 1 February 1994)
Mr E S Birk	
Mr R A Fass	(Managing Director)
Mr W Frankel C.B.E.	(Retired as Chairman 31 January 1994)
Mr J Greenwood	
Mr P M Oppenheimer	
Miss W Pollecoff	(Resigned 13 January 1994)

None of the Directors or their families had a beneficial interest in the share capital of the company during the year.

Mr W Frankel and Mr E S Birk will retire from office as Directors at the Annual General Meeting.

On 1 November 1994, Mr P L Levy and Mr S D Cohen were appointed directors. They will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

**FIXED ASSETS**

In the opinion of the Directors, the market value in aggregate of the company's properties was substantially higher than the book value at the end of the year.

**CHARITABLE AND POLITICAL DONATIONS**

During the year donations were made to UK charitable organisations totalling £194,908 (including £166,667 being the fourth of four equal instalments payable for the Jewish Chronicle Chair of Jewish Studies at University College London and £17,500 paid to The Kessler Foundation).

No political donations were made during the year.

**AUDITORS**

A resolution proposing the re-appointment of Clark Whitehill as auditors of the Company will be put to the members at the Annual General Meeting.

By Order of the Board

Secretary





# CLARK WHITEHILL

## Chartered Accountants

25 New Street Square London EC4A 3LN  
Telephone 0171-353 1577 Facsimile 0171-583 1720  
DX 0014 London Chancery Lane

### AUDITOR'S REPORT TO THE MEMBERS OF JEWISH CHRONICLE LIMITED

We have audited the financial statements on pages 5 to 17 which have been prepared under the accounting policies set out on page 9.

#### Respective Responsibilities of Directors and Auditors

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

#### Basis of Opinion

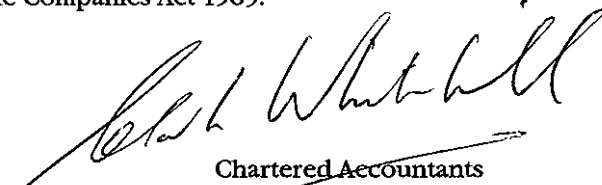
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements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

#### Unqualified Opinion

In our opinion, the financial statements give a true and fair view of the state of the affairs of the company and of the group as at 30 September 1994 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

1st December 1994

  
Chartered Accountants  
and Registered Auditor

A member of Horwath International



**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 1994**

	Notes	1994 £	1993 £
<b>TURNOVER</b>	3	<b>3,783,391</b>	<b>3,707,169</b>
Cost of sales		<u>1,543,029</u>	<u>1,639,175</u>
<b>GROSS PROFIT</b>		<b>2,240,362</b>	<b>2,067,994</b>
Distribution and selling costs		392,199	397,275
Administrative expenses		<u>1,636,706</u>	<u>1,531,632</u>
<b>OPERATING PROFIT</b>	4	<b>211,457</b>	<b>139,087</b>
Profit on sale of tangible fixed assets		3,677	5,434
Income and net gains from investments	5	<u>217,606</u>	<u>145,558</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>432,740</b>	<b>290,079</b>
Tax on profit on ordinary activities	6	<u>105,848</u>	<u>69,552</u>
<b>PROFIT FOR THE YEAR</b>		<b>326,892</b>	<b>220,527</b>
Dividend		<u>95,955</u>	<u>85,116</u>
<b>RETAINED PROFIT FOR THE YEAR</b>	19	<u><b>230,937</b></u>	<u><b>135,411</b></u>

The profit and loss account contains all the gains and losses recognised in the year.

The attached notes form an integral part of these financial statements

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET**

**30 SEPTEMBER 1994**

	Notes	1994 £	1993 £
<b>FIXED ASSETS</b>			
Tangible assets	10	218,433	230,267
Copyrights and goodwill		<u>1</u>	<u>1</u>
		<b>218,434</b>	<b>230,268</b>
<b>CURRENT ASSETS</b>			
Stocks	12	2,881	1,793
Debtors	13	853,377	1,120,005
Deferred taxation	7	48,732	70,999
Investments	14	3,219,157	2,876,275
Cash at bank and in hand		<u>7,754</u>	<u>12,252</u>
		<b>4,131,901</b>	<b>4,081,324</b>
<b>CREDITORS: amounts falling due within one year</b>			
Trade creditors		40,434	70,804
Corporation tax		142,485	165,939
Other taxes and social security costs	15	119,701	122,363
Proposed dividend		95,955	85,116
Other creditors		257,138	254,160
Accruals and deferred income	16	<u>169,646</u>	<u>108,527</u>
		<b>825,359</b>	<b>806,909</b>
<b>NET CURRENT ASSETS</b>		<b>3,306,542</b>	<b>3,274,415</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>3,524,976</b>	<b>3,504,683</b>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	17	<u>208,601</u>	<u>419,245</u>
<b>NET ASSETS</b>		<b>3,316,375</b>	<b>3,085,438</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	191,910	191,910
Capital redemption reserve		95,990	95,990
General reserve	19	<u>3,028,215</u>	<u>2,797,278</u>
<b>SHAREHOLDERS' FUNDS</b>		<b>3,316,115</b>	<b>3,085,178</b>
Minority interest	20	<u>260</u>	<u>260</u>
		<b>3,316,375</b>	<b>3,085,438</b>

 Chairman

The attached notes form an integral part of these financial statements

# JEWISH CHRONICLE LIMITED

## BALANCE SHEET

30 SEPTEMBER 1994

	Notes	£	1994 £	1993 £
<b>FIXED ASSETS</b>				
Tangible assets	10		218,433	230,267
Investments in subsidiaries	11		16,000	16,000
			<u>234,433</u>	<u>246,267</u>
<b>CURRENT ASSETS</b>				
Stocks	12	2,881		1,793
Debtors	13	853,377		1,120,005
Deferred taxation	7	48,732		70,999
Investments	14	3,219,157		2,876,275
Cash at bank and in hand		7,730		12,228
			<u>4,131,877</u>	<u>4,081,300</u>
<b>CREDITORS: amounts falling due within one year</b>				
Trade creditors		40,434		70,804
Amounts due to subsidiary undertakings		237,479		124,281
Corporation tax		108,404		144,707
Other taxes and social security costs	15	119,701		122,363
Proposed dividend		95,955		85,116
Other creditors		257,138		254,160
Accruals and deferred income	16	169,646		108,527
			<u>1,028,757</u>	<u>909,958</u>
<b>NET CURRENT ASSETS</b>			<u>3,103,120</u>	<u>3,171,342</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,337,553</u>	<u>3,417,609</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	17		<u>208,601</u>	<u>419,245</u>
<b>NET ASSETS</b>			<u>3,128,952</u>	<u>2,998,364</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	18		191,910	191,910
Capital redemption reserve			95,990	95,990
General reserve	19		2,841,052	2,710,464
<b>SHAREHOLDERS' FUNDS</b>			<u>3,128,952</u>	<u>2,998,364</u>

 Chairman

The attached notes form an integral part of these financial statements



**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 SEPTEMBER 1994**

	Notes	1994 £	1993 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>23</b>	<b><u>352,187</u></b>	<b><u>262,728</u></b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Dividends paid		<b>(85,116)</b>	<b>(85,116)</b>
Investment income received		<b><u>109,345</u></b>	<b><u>144,733</u></b>
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b><u>24,229</u></b>	<b><u>59,617</u></b>
<b>TAXATION</b>			
UK tax paid		<b><u>(107,033)</u></b>	<b><u>(104,747)</u></b>
<b>INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		<b>(62,635)</b>	<b>(26,656)</b>
Proceeds of sale of fixed assets		<b>3,680</b>	<b>6,028</b>
Purchase of investments		<b>(1,769,843)</b>	<b>(1,497,266)</b>
Proceeds of sale of investments		<b><u>1,279,917</u></b>	<b><u>267,444</u></b>
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b><u>(548,881)</u></b>	<b><u>(1,250,450)</u></b>
<b>NET CASH (OUTFLOW) BEFORE AND AFTER FINANCING</b>	<b>24</b>	<b><u>(279,498)</u></b>	<b><u>(1,032,852)</u></b>

The attached notes form an integral part of these financial statements.

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**

**30 SEPTEMBER 1994**

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**1. BASIS OF CONSOLIDATED FINANCIAL STATEMENTS**

- a) The financial statements have been prepared using the historical cost convention and in accordance with applicable accounting standards.
- b) The financial statements incorporate the audited results of the company and its subsidiaries, details of which are shown in note 11. The company has not presented its own profit and loss account as permitted by Section 230 Companies Act 1985.

**2. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are as follows:

**a) Stocks**

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

**b) Depreciation**

No depreciation has been provided on freehold land. Other fixed assets in use are depreciated over their estimated useful lives by equal annual instalments based on cost at the following rates:

Long Leasehold buildings	- 2%
Freehold buildings	- 2%
Fixtures, Computers etc	- 25%
Motor vehicles	- 25%

**c) Deferred Taxation**

Deferred taxation is provided on all material timing differences to the extent that it is probable that liabilities or assets will crystallise.

**d) Pension Costs**

Pension costs are charged to the profit and loss account in order to spread the costs over the working lives of employees.

**3. TURNOVER**

Turnover is stated at the invoiced value, excluding VAT, of goods and services supplied to customers outside the Group, less allowances and discounts.

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

<b>4. OPERATING PROFIT</b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	74,466	65,118
Auditors' remuneration	<u>15,500</u>	<u>15,500</u>
And after crediting :		
Rates rebate in respect of previous years	-	37,198
Medical insurance overprovided in previous years	<u>-</u>	<u>16,848</u>
 <b>5. INCOME AND NET GAINS FROM INVESTMENTS</b>		
Listed investments	32,596	34,856
Unlisted investments	32,374	18,975
Short term deposits	44,375	82,025
Net gains on investments	<u>108,261</u>	<u>9,702</u>
	<u>217,606</u>	<u>145,558</u>
 <b>6. TAX ON PROFIT ON ORDINARY ACTIVITIES</b>		
The charge in the profit and loss account based on the profit for the year is made up as follows:		
	<b>£</b>	<b>£</b>
Corporation tax at 33% (1993: 25%)	96,750	73,004
Deferred taxation at 33%	19,898	17,824
Adjustments in respect of previous years		
Corporation tax	(10,800)	(27,500)
Deferred tax	<u>-</u>	<u>6,224</u>
	<u>105,848</u>	<u>69,552</u>

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

<b>7. DEFERRED TAXATION</b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
a) Asset at 1 October 1993	70,999	97,061
Transfer to profit and loss account (note 6)	(19,898)	(24,048)
(Decrease) in ACT recoverable	<u>(2,369)</u>	<u>(2,014)</u>
<b>Asset at 30 September 1994</b>	<u><b>48,732</b></u>	<u><b>70,999</b></u>
b) The balance at 30 September 1994 is represented by:		
Provisions	80,608	149,608
Short term timing differences	48,995	14,893
ACT recoverable	23,989	26,358
Pension scheme actuarial surplus	<u>(104,860)</u>	<u>(119,860)</u>
	<u><b>48,732</b></u>	<u><b>70,999</b></u>
 <b>8. DIRECTORS EMOLUMENTS</b>		
Fees	32,398	34,215
Other emoluments	77,755	82,987
Pension scheme contributions	<u>5,500</u>	<u>4,732</u>
	<u><b>115,653</b></u>	<u><b>121,934</b></u>
Emoluments, excluding pension scheme contributions:		
Chairmen:		
- 1 October 1993 to 31 January 1994	8,750	27,250
- 1 February to 30 September 1994	<u>10,000</u>	<u>-</u>
Highest paid director	<u><b>57,250</b></u>	<u><b>52,500</b></u>
	<b>No.</b>	<b>No.</b>
Number of directors:		
£Nil - £ 5,000	1	-
£5,001 - £10,000	3	5
£10,001 - £15,000	2	-
£25,001 - £30,000	-	1
£50,001 - £55,000	-	1
£55,001 - £60,000	<u>1</u>	<u>-</u>

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

9. STAFF COSTS	1994	1993
(including executive directors)	£	£
Wages and salaries	1,609,009	1,621,469
Social security costs	138,931	139,177
Other pension costs	178,729	169,105
	<u>1,926,669</u>	<u>1,929,751</u>
 The average weekly number of employees (including part-time employees) during the year was:	 No.	 No.
Management and office	16	18
Editorial	32	32
Selling and distribution	28	28
	<u>76</u>	<u>78</u>

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held independently from those of the company in a separately administered fund with its own Trustees. The contributions to the scheme are determined by a qualified actuary on the basis of a triennial valuation using the projected unit method. The most recent valuation was as at 1 January 1992. The principal actuarial assumption adopted at that valuation was that the rate of return on investments would exceed the increase in pensionable salaries by 1½% per annum.

The valuation disclosed that the value of the scheme's assets at that date was £6,944,597 and that there was a surplus of £1,556,000 after allowing for the actuarially calculated liabilities for future benefits. This surplus is being amortised over 16 years being the average remaining service lives of the employees.

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

**10. TANGIBLE FIXED ASSETS**

	Total £	Freehold properties £	Long Leasehold property £	Fixtures, fittings and computers £
Cost:				
1 October 1993	662,763	138,438	100,000	424,325
Additions	62,635	-	-	62,635
Disposals	(24,361)	-	-	(24,361)
<b>30 September 1994</b>	<b>701,037</b>	<b>138,438</b>	<b>100,000</b>	<b>462,599</b>
Depreciation:				
1 October 1993	432,496	85,467	4,000	343,029
Provision for the year	74,466	2,757	2,000	69,709
Disposals	(24,358)	-	-	(24,358)
<b>30 September 1994</b>	<b>482,604</b>	<b>88,224</b>	<b>6,000</b>	<b>388,380</b>
Net book values:				
<b>30 September 1994</b>	<b>218,433</b>	<b>50,214</b>	<b>94,000</b>	<b>74,219</b>
<i>30 September 1993</i>	<i>230,267</i>	<i>52,971</i>	<i>96,000</i>	<i>81,296</i>

**11. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS**

	1994 £	1993 £
Shares in group companies	<b>16,000</b>	<b>16,000</b>
Company	Country of Incorporation	% Equity held
Jewish Chronicle Newspaper Limited	England	"A" shares 100%
Boundary Enterprises Limited	England	100%

**12. STOCKS**

	1994 £	1993 £
Work-in-progress	<b>2,881</b>	<b>1,693</b>
Finished goods	<b>-</b>	<b>100</b>
	<b>2,881</b>	<b>1,793</b>

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

<b>13. DEBTORS</b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
Trade debtors	375,132	369,254
Other debtors, prepayments and accrued income	478,245	750,751
	<u>853,377</u>	<u>1,120,005</u>
Other debtors includes pension scheme prepayments to be amortised over a period of greater than 1 year £ 285,578 (1993 £309,376)		
 <b>14. INVESTMENTS</b>		
Short term deposits	800,000	1,075,000
Investments at cost listed on a recognised stock exchange (market value 1994 £1,821,473; 1993 £1,384,467)	1,778,226	1,229,368
Unlisted investments at cost (Directors' valuation: 1994 £744,893; 1993 £562,441)	640,931	571,907
	<u>3,219,157</u>	<u>2,876,275</u>
 <b>15. OTHER TAXES AND SOCIAL SECURITY COSTS</b>		
	<b>£</b>	<b>£</b>
PAYE	34,588	31,984
National insurance	18,921	18,235
VAT	66,192	72,144
	<u>119,701</u>	<u>122,363</u>
 <b>16. ACCRUALS AND DEFERRED INCOME</b>		
Accruals	129,220	69,500
Deferred income	40,426	39,027
	<u>169,646</u>	<u>108,527</u>

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

<b>17. PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
Balance 1 October 1993	419,245	556,255
Expenditure during year	(210,644)	(183,949)
Provisions in year	<u>-</u>	<u>46,939</u>
<b>Balance 30 September 1994</b>	<b><u>208,601</u></b>	<b><u>419,245</u></b>
Made up as follows:-		
(i) Renewals, repairs and maintenance	89,922	89,922
(ii) Indexing and microfilming	16,930	18,000
(iii) Planning permission expenditure	60,000	60,000
(iv) 150th Anniversary expenditure	20,552	191,323
(v) Restructuring	<u>21,197</u>	<u>60,000</u>
	<b><u>208,601</u></b>	<b><u>419,245</u></b>

**18. SHARE CAPITAL**

<b>Authorised:</b>		
191,000 Ordinary shares of 1p each	1,910	1,910
284,090 Non-voting Ordinary shares of £1 each	<u>284,090</u>	<u>284,090</u>
	<b><u>286,000</u></b>	<b><u>286,000</u></b>
<b>Issued and Fully paid:</b>		
190,000 Ordinary shares of 1p each	1,900	1,900
190,010 Non-Voting Ordinary shares of £1 each	<u>190,010</u>	<u>190,010</u>
	<b><u>191,910</u></b>	<b><u>191,910</u></b>



**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

**19. MOVEMENTS IN RESERVES AND SHAREHOLDERS FUNDS**

	Group £	Company £
<b>a) General Reserve</b>		
Balance 1 October 1993	2,797,278	2,710,464
Transfer from profit and loss account	<u>230,937</u>	<u>130,588</u>
Balance 30 September 1994	<u>3,028,215</u>	<u>2,841,052</u>
 <b>b) Shareholders Funds</b>		
Profit for the year	326,892	226,543
Dividend	<u>95,955</u>	<u>95,955</u>
	230,937	130,588
Opening Shareholders Funds	<u>3,085,178</u>	<u>2,998,364</u>
Closing Shareholders Funds	<u>3,316,115</u>	<u>3,128,952</u>

**20. MINORITY INTEREST**

The minority interest represents 26,000 Jewish Chronicle Newspaper Limited "B" shares of 1p each, 99.8% of which are held by the Jewish Chronicle Trust Limited.

**21. CAPITAL COMMITMENTS**

There are no commitments for capital expenditure not provided in the financial statements.

**JEWISH CHRONICLE LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**30 SEPTEMBER 1994**

**22. HOLDING COMPANY**

The ultimate holding company is The Kessler Foundation, a company incorporated in England and Wales which is limited by guarantee and is a registered charity.

**23. RECONCILIATION OF OPERATING PROFIT TO NET CASH  
INFLOW FROM ORDINARY OPERATING ACTIVITIES**

	1994 £	1993 £
Operating profit	211,457	139,087
Depreciation charges	74,466	65,118
Expenditure charged to provisions	(210,644)	(183,949)
Pension scheme surplus amortisation charged to operating profit	46,332	37,798
Increase in provisions charged to operating profit	-	46,939
(Increase)/Decrease in stocks	(1,088)	6,707
Decrease in debtors	200,599	183,716
Increase/(Decrease) in creditors	31,065	(32,688)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>352,187</b>	<b>262,728</b>

**24. ANALYSIS OF THE BALANCES OF CASH AND CASH  
EQUIVALENTS AS SHOWN IN THE BALANCE SHEET**

	1994 £	1993 £	1992 £	1994 Change in year £	1993 Change in year £
Cash at bank and in hand	7,754	12,252	66,018	(4,498)	(53,766)
Short term deposits	800,000	1,075,000	2,054,086	(275,000)	(979,086)
	<b>807,754</b>	<b>1,087,252</b>	<b>2,120,104</b>	<b>(279,498)</b>	<b>(1,032,852)</b>