

1370839

WISDEN CRICKET MAGAZINES LIMITED

REPORT AND FINANCIAL STATEMENTS

30 SEPTEMBER 1998

Saffery Champness

CHARTERED ACCOUNTANTS



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COMPANIES HOUSE 09/06/99

WISDEN CRICKET MAGAZINES LIMITED

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COMPANY INFORMATION

DIRECTORS

Sir Paul Getty - Chairman
M H Getty
C D Lane
M J Ridley

SECRETARY

C D Lane

REGISTERED OFFICE

25 Down Road
Merrow
Guildford
Surrey
GU1 2PY

COMPANY NUMBER

1370839

AUDITORS

Saffery Champness
Fairfax House
Fulwood Place
Gray's Inn
London
WC1V 6UB

BANKERS

Lloyds Bank Plc
147 High Street
Guildford
Surrey
GU1 3AG

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report together with the audited financial statements of the company for the year ended 30 September 1998.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of publishing the magazine "Wisden Cricket Monthly".

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 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,
- 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.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The loss for the year is unsatisfactory and the directors are considering a number of options available to them to improve the company's position.

RESULTS AND DIVIDENDS

A summary of the results of the trading for the year is given on page 5 of these financial statements.

The directors do not recommend the payment of a dividend.

FIXED ASSETS

The movements on fixed assets during the year are shown in note 7 to the financial statements.

REPORT OF THE DIRECTORS (continued)

DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year are listed below. None of these directors had any beneficial interest in the issued ordinary share capital of the company at any time in the year under review.

Sir Paul Getty
M H Getty
C D Lane
M J Ridley

YEAR 2000 DATE CHANGE

The directors have reviewed the impact on the business of the year 2000 date change and have made plans to address this so that the business will not be materially affected. The costs to the company of dealing with these matters is not expected to be material.

AUDITORS

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 386(1) of the Companies Act 1985. Therefore, the auditors, Saffery Champness, will be deemed to be reappointed for each succeeding financial year.

By order of the board



C D Lane
Secretary

19 May 1999

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 11.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the directors' report on page 2, 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 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 information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 September 1998 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAFFERY CHAMPNESS
Chartered Accountants
Registered Auditors
Fairfax House
Fulwood Place
London
WC1V 6UB

19 May 1999

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1998

| | Notes | 1998 | 1997 |
|--|-------|-------------------|-------------------|
| TURNOVER | 2 | 726,577 | 655,739 |
| Cost of sales | | <u>(877,136)</u> | <u>(707,766)</u> |
| GROSS LOSS | | (150,559) | (52,027) |
| Administrative expenses | | <u>(156,054)</u> | <u>(161,966)</u> |
| OPERATING LOSS | 3 | (306,613) | (213,993) |
| Other operating income | 5 | 28,390 | 28,000 |
| Interest receivable | | <u>5,011</u> | <u>2,892</u> |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (273,212) | (183,101) |
| Taxation | 6 | - | <u>6,995</u> |
| LOSS FOR THE FINANCIAL YEAR | 12 | <u>£(273,212)</u> | <u>£(176,106)</u> |


There are no recognised gains or losses other than the loss for the year, all of which relates to continuing operations.

The notes on pages 7 to 11 form part of these financial statements.

BALANCE SHEET
AT 30 SEPTEMBER 1998

| | Notes | 1998 | 1997 |
|---|-------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 7 | 10,393 | 19,278 |
| CURRENT ASSETS | | | |
| Debtors | 8 | 86,589 | 113,626 |
| Bank and cash balances | | <u>192,080</u> | <u>190,431</u> |
| | | 278,669 | 304,057 |
| CREDITORS: Amounts falling due within one year | 9 | <u>(720,292)</u> | <u>(464,511)</u> |
| NET CURRENT LIABILITIES | | (441,623) | (160,454) |
| Total assets less current liabilities | | (431,230) | (141,176) |
| CREDITORS: Amounts falling due after more than one year | 10 | <u>(5,683)</u> | <u>(22,525)</u> |
| NET LIABILITIES | | <u>£(436,913)</u> | <u>£(163,701)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 5,000 | 5,000 |
| Profit and loss account | 12 | <u>(441,913)</u> | <u>(168,701)</u> |
| EQUITY SHAREHOLDERS' FUNDS | | <u>£(436,913)</u> | <u>£(163,701)</u> |

Approved by the board on 19 May 1999.



M J Ridley
Director

The notes on pages 7 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

Depreciation and Amortisation of Tangible Fixed Assets

Depreciation and amortisation of tangible fixed assets is provided in order to write off the cost of an asset over its estimated useful life at the following annual rates:

| | | |
|----------------------|---|----------------------------|
| Short term leasehold | - | over the term of the lease |
| Computer | - | 33 $\frac{1}{3}$ % on cost |
| Office equipment | - | 10% on cost |
| Motor vehicles | - | 25% on cost |

OPERATING LEASES

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

DEFERRED TAXATION

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

CASH FLOW STATEMENT

The company is a small company as defined by Sections 246, 247 and 249 of the Companies Act 1985. It has, therefore, taken advantage of the exemption conferred by Financial Reporting Standard Number 1 not to prepare a cash flow statement.

2 TURNOVER

Turnover represents the total amount receivable during the year for the sale of magazines at cover price together with the relevant proportion of subscription income, and the advertising therein, and ancillary items, excluding value added tax.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 (continued)

| 3 OPERATING LOSS | 1998 | 1997 |
|--|-------------------|-------------------|
| The operating loss is stated after charging: | | |
| Auditors' remuneration: | | |
| Audit | £3,000 | £3,000 |
| Other services | £750 | £750 |
| Depreciation of tangible fixed assets | £8,885 | £9,204 |
| Other operating leases - property | £11,780 | £11,780 |
| Exceptional item - redundancy costs | - | £1,500 |
| | <u> </u> | <u> </u> |
| 4 EMPLOYEE NUMBERS AND COSTS | | |
| Employee costs (including directors) arising during the year amounted to: | | |
| Wages and salaries | 191,936 | 174,485 |
| Social security costs | 19,649 | 17,236 |
| Other pension costs | 8,922 | 7,634 |
| | <u>£220,507</u> | <u>£199,355</u> |
| The average weekly number of employees (including executive directors) during the year was as follows: | Number | Number |
| Management, administration and editorial | <u>8</u> | <u>7</u> |
| DIRECTORS' REMUNERATION | | |
| Directors' emoluments (including benefits-in-kind) | 41,853 | 40,105 |
| Pension contributions | 2,889 | 2,171 |
| | <u>£44,742</u> | <u>£42,276</u> |
| 5 OTHER INCOME | | |
| Contribution to facilities and premises costs | <u>£28,390</u> | <u>£28,000</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 (continued)

6

TAXATION

1998

1997

UK corporation tax for the year

-

-

Adjustment in respect of previous years

-

6,995

£-

£6,995

No provision for deferred taxation is required at 30 September 1998 (1997: £Nil)

7

TANGIBLE FIXED ASSETS

Short term
leasehold

Computer

Motor
vehicles

Office
equipment

Total

COST

At 30 September 1997 and
30 September 1998

2,505

12,851

27,858

5,492

48,706

DEPRECIATION

At 30 September 1997

844

9,967

13,125

5,492

29,428

Charge for year

125

1,796

6,964

-

8,885

At 30 September 1998

969

11,763

20,089

5,492

38,313

NET BOOK VALUE

At 30 September 1998

£1,536

£1,088

£7,769

£-

£10,393

At 30 September 1997

£1,661

£2,884

£14,733

£-

£19,278

8

DEBTORS

1998

1997

Trade debtors

74,872

86,718

Other debtors

6,442

21,931

Prepayments

5,275

4,977

£86,589

£113,626

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 (continued)

| 9 CREDITORS | 1998 | 1997 |
|---|-------------------|-------------------|
| Amounts falling due within one year: | | |
| Bank overdraft | 143,583 | 91,515 |
| Trade creditors | 69 | 413 |
| Amount due to group undertaking | 400,000 | 200,000 |
| Other taxation and social security costs | 9,158 | 4,635 |
| Accruals and deferred income | 167,482 | 167,948 |
| | <u>£720,292</u> | <u>£464,511</u> |
| 10 CREDITORS | | |
| Amounts falling due after more than one year | | |
| Deferred income | <u>£5,683</u> | <u>£22,525</u> |
| 11 CALLED UP SHARE CAPITAL | | |
| Authorised Ordinary shares of £1 each | <u>£10,000</u> | <u>£10,000</u> |
| Allotted, called-up and fully paid Ordinary share of £1 each | <u>£5,000</u> | <u>£5,000</u> |
| 12 PROFIT AND LOSS ACCOUNT | | |
| At 1 October 1997 | (168,701) | 7,405 |
| Loss for the year | (273,212) | (176,106) |
| At 30 September 1998 | <u>£(441,913)</u> | <u>£(168,701)</u> |

A separate movement of shareholders' funds statement is not provided, as there are no changes for the current or previous year, other than the retained loss in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 (continued)

13 COMMITMENTS UNDER OPERATING LEASES

On 12 December 1990 the company entered into a property lease for a period of 20 years, with reviews at 5 yearly intervals. Rent of £11,780 per annum has been fixed until 12 December 2000.

14 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is John Wisden and Company Limited, which is registered in England.

John Wisden and Company Limited is owned by Castlemaine Holdings Limited, a company registered in England.

15 PENSION COSTS

The company contributes to employees' personal pension schemes. The pension cost charge represents contributions payable by the company to these schemes and amounted to £8,922 (1997: £7,634).

16 GOING CONCERN

The financial statements have been prepared on the going concern basis as the parent company has indicated that financial support will be forthcoming throughout the next financial year.