

**NEXUS BUSINESS MEDIA  
LIMITED**

**FINANCIAL STATEMENTS**

**For the Year ended  
31 December 2010**

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COMPANIES HOUSE

**Company no 1993193**

**NEXUS BUSINESS MEDIA LIMITED**  
**FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> December 2010

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Company registration number	1993193
Registered office	Building 17 Dunsfold Park Stovolds Hill Cranleigh Surrey GU6 8TB
Director	W T Comfort A Gibbons
Secretary	F Bird
Bankers	Barclays Bank PLC 1st Floor 27 Soho Square London W1D 3QR
Solicitors	Lee & Thompson Greengarden House 15-22 St Christopher's Place London W1U 1NL

**NEXUS BUSINESS MEDIA LIMITED**  
**FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> December 2010

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The directors present their report together with the audited financial statements for the year ended 31 December 2010

**Principal activity**

The principal activity of the company during 2010 was the publishing of magazines, and running of tradeshow

**Business review**

The company has undergone internal restructuring exercise to allow focus of effort and resource into the Queens Award magazine and the ECOC exhibition

There was a profit for the year after taxation amounting to £170,965(2009 £142,646)

The directors do not recommend the payment of a dividend (2009 £nil)

**Directors**

The following directors have served as directors during the year

A Gibbons

WT Comfort (appointed 5 February 2010)

WT Comfort is a director of Nexus Holdings Limited

**Statement of directors' responsibilities**

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

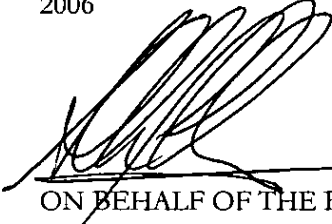
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the directors 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 these 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 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.

**Small company exemptions**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006

A handwritten signature in black ink, appearing to be 'A. Gibbons', written over a horizontal line.

ON BEHALF OF THE BOARD

Mr Allen Gibbons  
Director

26<sup>th</sup> September 2011

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), other than for the application of a true and fair override from the Companies Act 2006 with respect to the carrying value of intangible assets where the Directors are of the opinion assets have an indefinite economic life. See Intangible assets note below.

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent, Nexus Holdings Limited includes the cash flows of the company in its own published consolidated financial statements.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **Going concern**

The financial statements have been prepared on a going concern basis which assumes the continuing financial support of the ultimate parent company. The directors have received confirmation that this financial support will continue to be provided for the foreseeable future to enable the company to continue as a going concern and to settle its liabilities as and when they fall due.

### **Turnover**

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

Book sales and advertising revenues are recognised on the despatch date of the relevant business publication.

Subscription revenue is recognised over the period of the subscription.

Internet revenue is recognised over the period of the contract or on a "click through" basis dependent on the contract terms.

### **Intangible assets**

Where the directors are of the opinion that intangible assets of the Company have an indefinite economic life given the acquired business' historic ability to sustain long term profitability, their position within their market sector and the Group's commitment to continue to invest in the long-term development of that business then, in accordance with FRS 10 and FRS 11, the carrying value of these intangible assets is reviewed annually for impairment on the basis stipulated in FRS 11 and adjusted to the recoverable amount should this be required. This policy departs from the requirement of companies' legislation to amortise goodwill over a finite period in order to give a true and fair view, for the reasons outlined above.

Where the directors are of the opinion that intangible assets of the Company do not have an indefinite economic life then the goodwill on each acquisition is considered by the directors and amortised on a straight line basis over its useful economic life (which is generally estimated to be between five and twenty years).

### **Tangible fixed assets and depreciation**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are

Furniture and equipment	10% per annum on a straight-line basis
Computer equipment	25% per annum on a straight-line basis

### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset less its estimated residual value over the useful life of that asset as follows:

Databases & Websites- 33% straight line

### **Stocks**

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

### **Taxation**

Corporation tax is provided on the taxable profit at the current rate.

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are not discounted.

### **Foreign currency**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

### **Pension costs**

Pensions are provided to certain employees through defined contribution schemes and the group has a stakeholder pension scheme available to employees. The assets of the funded defined contribution schemes are held independently by insurance companies.

The amount charged to the profit and loss account is the amount of contributions payable in the period. The company does not operate any defined benefit schemes.

**NEXUS BUSINESS MEDIA LIMITED**  
**PROFIT AND LOSS ACCOUNT**

For the year ended 31 December 2010

	Note	2010 £ Total	2009 £
Turnover	1	1,395,249	1,356,608
Cost of Sales		<u>(963,100)</u>	<u>(1,081,905)</u>
Gross Profit		432,149	274,703
Other administrative expenses		(261,184)	(810,031)
Exceptional items	1	<u>-</u>	<u>(396,500)</u>
<b>Operating profit/(loss)</b>		<b>170,965</b>	<b>(931,828)</b>
Profit on disposal of operations	2	-	770,029
Interest receivable and similar income		<u>-</u>	<u>3,765</u>
<b>Profit/(Loss) on ordinary activities before taxation</b>	1	<b>170,965</b>	<b>(158,034)</b>
Tax credit on (loss)/profit on ordinary activities	4	-	300,680
<b>Profit on ordinary activities after taxation and retained profit for the year transferred to reserves</b>	10	<b><u>170,965</u></b>	<b><u>142,646</u></b>

There were no recognised gains or losses other than the profit for the financial year

The accompanying accounting policies and notes form an integral part of these financial statements



	Note	2010 £	2009 restated £
<b>Fixed assets</b>			
Intangible assets	5	14,130	9,800
<b>Current assets</b>			
Debtors	6	192,992	139,471
Cash at bank and in hand		536,683	773,965
		<u>729,675</u>	<u>913,436</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,485,193)</u>	<u>(1,835,589)</u>
<b>Net current liabilities</b>		<u>(755,518)</u>	<u>(922,153)</u>
<b>Total assets less current liabilities</b>		<u>(741,388)</u>	<u>(912,353)</u>
<b>Capital and reserves</b>			
Called up share capital	8	50,000	50,000
Profit and loss account	9	<u>(791,388)</u>	<u>(962,353)</u>
<b>Shareholders' funds</b>	10	<u>(741,388)</u>	<u>(912,353)</u>

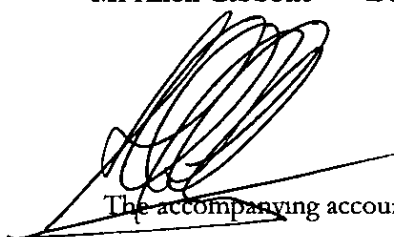
**Company Number: 1993193**

**Statements**

- (a) The company is exempt from the requirements relating to preparing audited accounts in accordance with section 477 of the Companies Act 2006
- (b) The members have not required the company to obtain an audit of the accounts for the year in question in accordance with section 476 of the Companies Act 2006
- (c) The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts
- (d) These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements were approved by the Board of Directors on *26<sup>th</sup> September* 2011

**Mr Allen Gibbons - Director**



The accompanying accounting policies and notes form an integral part of these financial statements

For the year ended 31 December 2010

**1 Turnover and (loss)/profit on ordinary activities before taxation**

The turnover and (loss)/profit on ordinary activities before taxation is attributable to Geographical market as follows

	2010	2009
	£	£
<b>Geographical market - destination:</b>		
United Kingdom	145,030	192,619
Rest of Europe	1,250,219	1,163,989
Other markets	-	-
	<u>1,395,249</u>	<u>1,356,608</u>

The (loss)/ profit on ordinary activities before taxation is stated after

	2010	2009
	£	£
Auditor's remuneration		
Audit services	-	25,000
Non-audit services	-	10,000
Operating leases		
Land and buildings	12,000	12,000
Depreciation		
Tangible fixed assets owned	-	6,240
Amortisation of intangible assets	7,065	10,644

**Exceptional items:**

Restructuring and redundancy costs	-	-
Write off of tangible assets due to restructuring of business	-	-
Write off excess stocks	-	-
Impairment of intangible assets	-	396,500
	<u>-</u>	<u>396,500</u>

**NEXUS BUSINESS MEDIA LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2010

**1 Turnover and (loss)/profit on ordinary activities before taxation (continued)**

Profit and loss account showing continuing and discontinued operations for year ended 31 December 2009

	Note	2009 £ Discontinued	2009 £ Continuing	2009 £ Total
Turnover	1	52,998	1,303,610	1,356,608
Cost of sales		<u>(9,592)</u>	<u>(1,072,313)</u>	<u>(1,081,905)</u>
Gross profit		43,406	231,297	274,703
Other administrative expenses		(618,021)	(192,010)	(810,031)
Exceptional items	1	<u>(396,500)</u>	<u>-</u>	<u>(396,500)</u>
<b>Operating loss/profit</b>		<b>(971,115)</b>	<b>39,287</b>	<b>(931,828)</b>
Profit on disposal of operations	2	770,029	-	770,029
Interest receivable and similar income		<u>-</u>	<u>3,765</u>	<u>3,765</u>
<b>(Loss)/Profit on ordinary activities before taxation</b>	1	<b>(201,086)</b>	<b>43,052</b>	<b>(158,034)</b>
Tax credit on profit on ordinary activities	4	<u>256,498</u>	<u>44,182</u>	<u>300,680</u>
<b>Profit on ordinary activities after taxation and retained profit for the year transferred to reserves</b>		<b><u>55,412</u></b>	<b><u>87,234</u></b>	<b><u>142,646</u></b>

**2 Profit on disposal of operations**

	2010 Total £	2009 Total £
Disposal proceeds of sales	-	1,836,000
Less cost of sale	<u>-</u>	<u>(135,854)</u>
Net proceeds	-	1,700,146
NBV of assets sold	<u>-</u>	<u>(930,117)</u>
Profit on disposal	<b><u>-</u></b>	<b><u>770,029</u></b>

The company sold its travel trade to another group company during 2009

For the year ended 31 December 2010

### 3 Directors' Remuneration

	2010 £	2009 £
Aggregate remuneration	<u>116,276</u>	<u>349,414</u>

### 4 Tax credit on profit/(loss) on ordinary activities

Analysis of charge in the year

	2010 £	2009 £
Current tax		
UK Corporation tax based on the results for the year at 28% (2009-28%)	<u>-</u>	<u>300,680</u>

**The company surrendered its research and development tax losses during 2009 for a tax credit. The R&D was incurred on the development of an alternative internet search engine.**

### 5 Intangible fixed assets

	Website & Database £
Cost	
At 1 January 2010	9,800
Additions	11,395
At 31 December 2010	<u>21,195</u>
Amortisation	
At 1 January 2010	-
Amortisation charge in year	7,065
At 31 December 2010	<u>7,065</u>
Net book amount at 31 December 2010	<u>14,130</u>
Net book amount at 31 December 2009	<u>9,800</u>

**NEXUS BUSINESS MEDIA LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2010

**6 Debtors**

	2010	2009
	£	£
Amounts owed by group undertakings	44,182	
Group relief	-	44,182
Other debtors		-
Prepayments and accrued income	148,810	95,289
	<u>192,992</u>	<u>139,471</u>

**7 Creditors: amounts falling due within one year**

	2010	2009
	£	£
Amounts owed to group undertakings	1,268,083	1,602,920
Social Security and other taxes	8,163	48,986
Other creditors	1,303	8,517
Accruals and deferred income	207,644	175,166
	<u>1,485,193</u>	<u>1,835,589</u>

**8 Share capital**

	2010	2009
	£	£
Authorised, allotted, called up and fully paid 50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

**9 Shareholders funds**

	Share Capital £	Profit and loss account £	Total £
At 1 January 2010	50,000	(962,353)	(912,353)
Retained profit for the year	-	170,965	170,965
At 31 December 2010	<u>50,000</u>	<u>(791,388)</u>	<u>(741,388)</u>

**10 Reconciliation of movements in shareholders' funds**

	2010	2009
	£	£
Profit for the financial year	170,965	142,646
Shareholders' funds at 1 January 2010	(912,353)	(1,054,999)
Shareholders' funds at 31 December 2010	<u>(741,388)</u>	<u>(912,353)</u>

**11 Capital commitments**

The company had no capital commitments at 31 December 2010 or 31 December 2009

**12 Contingent assets/liabilities**

There were no contingent assets/ liabilities at 31 December 2010 or 31 December 2009

**13 Leasing commitments**

	<b>Land and buildings</b>	
	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
In one year or less	<b>12,000</b>	<b>12,000</b>

**14 Transactions with directors and other related parties**

The company has taken advantage of the exemption in Financial Reporting Standard No 8 "Related party disclosures" and has not disclosed transactions with group undertakings

There are no other related party transactions

**15 Ultimate parent company and controlling party**

The parent undertaking of the company is Nexus Holdings Limited a company incorporated in England and Wales

The parent undertaking of the smallest group, which includes the company and for which group financial statements are prepared is Nexus Holdings Limited

The ultimate parent company is Ergo Science Corporation, a company incorporated in the United States of America