

**GARNET PUBLISHING LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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COMPANIES HOUSE

## GARNET PUBLISHING LIMITED

### INDEPENDENT AUDITOR'S REPORT TO GARNET PUBLISHING LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Garnet Publishing Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

#### OPINION ON FINANCIAL STATEMENTS

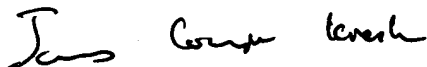
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with the regulations made under that section.

#### OTHER INFORMATION

On ~~29 September 2016~~ we reported as auditor to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report included the following paragraph:

#### EMPHASIS OF MATTER

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made within the financial statements concerning the company's reliance upon the continued support of its ultimate parent company, International Investments S.A.L. As a result we would draw your attention to the wording within the going concern accounting policy within Note 1.



Alexander Peal BSc (Hons) FCA DChA (Senior Statutory Auditor)

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

Date: 27 September 2016

**GARNET PUBLISHING LIMITED**  
**REGISTERED NUMBER: 02587010**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	2		24,387		33,907
<b>CURRENT ASSETS</b>					
Debtors	3	122,092		110,913	
Cash at bank and in hand		55,557		78,546	
		<u>177,649</u>		<u>189,459</u>	
<b>CREDITORS:</b> amounts falling due within one year		<u>(237,308)</u>		<u>(277,057)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(59,659)</u>		<u>(87,598)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(35,272)</u>		<u>(53,691)</u>
<b>CREDITORS:</b> amounts falling due after more than one year			(5,050,662)		(4,961,230)
<b>PROVISIONS FOR LIABILITIES</b>					
Other provisions			<u>(3,771)</u>		<u>-</u>
<b>NET LIABILITIES</b>			<u><u>(5,089,705)</u></u>		<u><u>(5,014,921)</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	4		1,000		1,000
Profit and loss account			<u>(5,090,705)</u>		<u>(5,015,921)</u>
<b>SHAREHOLDERS' DEFICIT</b>			<u><u>(5,089,705)</u></u>		<u><u>(5,014,921)</u></u>

The abbreviated accounts, which 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, were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**Mr K Khayat**  
 Director

Date: 28 September 2016

The notes on pages 3 to 5 form part of these financial statements.

## **GARNET PUBLISHING LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

##### **1.2 Going concern**

As at 31 December 2015 the company had net liabilities of £5,089,705 (2014: £5,014,921) and is fully reliant on the support of its ultimate parent company, International Investments S.A.L, for ongoing support.

This support is provided through ongoing funding of all expenses relating to the education business of the company. An agreement dated 1 January 2009 is in place with International Investments S.A.L which states that the parent company will reimburse the company for all expenses incurred in this division of the business.

The directors see no reason why the parent company will not continue to provide this support for the foreseeable future and for this reason the accounts have been prepared on a going concern basis.

##### **1.3 Turnover**

Turnover from educational titles represent a sales commission of 7% which is payable from the company's parent, International Investments. The company acts as agent for the parent company in this respect.

Turnover from publishing titles represent the value of goods supplied during the year excluding value added tax and trade discounts.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	20% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	20% straight line
Computer equipment	-	20% straight line
Warehouse equipment	-	25% straight line

##### **1.5 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

## GARNET PUBLISHING LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 1. ACCOUNTING POLICIES (continued)

##### 1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### 1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

##### 1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### 2. TANGIBLE FIXED ASSETS

	£
<b>Cost</b>	
At 1 January 2015	335,837
Additions	5,397
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At 31 December 2015	341,234
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<b>Depreciation</b>	
At 1 January 2015	301,930
Charge for the year	14,917
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At 31 December 2015	316,847
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<b>Net book value</b>	
At 31 December 2015	24,387
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At 31 December 2014	33,907
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## GARNET PUBLISHING LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 3. DEBTORS

Debtors include £29,410 (2014 - £31,757) falling due after more than one year.

#### 4. SHARE CAPITAL

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### 5. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent company is International Investments S.A.L, a company incorporated in Lebanon. No group accounts including Garnet Publishing Limited are available to the public.

The ultimate controlling party is considered to be Tahsseen Khayat by virtue of his shareholding in the ultimate parent company.