

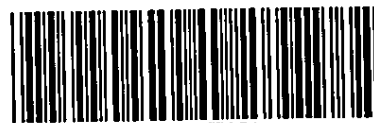
Registered number  
04371448

Angel Magazines Limited

Report and Accounts

31 December 2006

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**Angel Magazines Limited**  
**Report and accounts**  
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**Angel Magazines Limited**  
**Company Information**

**Directors**

J A Fry

A D Jeakings

**Secretary**

J O Ellison

**Registered office**

Prospect House

Rouen Road

Norwich

Norfolk

NR1 1RE

**Registered number**

04371448

**Angel Magazines Limited**  
**Directors' Report**

The directors present their report and accounts for the six month period ended 31 December 2006

**Principal activities and review of the business**

The company has been dormant since 20 January 2006

**Results and dividends**

The company has no results for the period

**Future developments**

The company will remain dormant for the foreseeable future

**Directors**

The directors who served during the period and their interests in the share capital of the company were as follows

|              | £1 Ordinary shares |           |
|--------------|--------------------|-----------|
|              | 31-Dec-06          | 01-Jul-06 |
| J A Fry      | -                  | -         |
| A D Jeakings | -                  | -         |


The interests of the directors in the shares of the ultimate parent undertaking are disclosed in that company's accounts

**Disclosure of information to auditors**

So far as each director at the date of approval of this report is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

This report was approved by the board on 24th September 2007

  
J O Ellison  
Secretary

## **Angel Magazines Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to

- 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 accounts,
- prepare the accounts 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 accounts 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.

**Angel Magazines Limited**  
**Profit and Loss Account**  
**for the period from 1 July 2006 to 31 December 2006**

|   | Notes | 6 months ended<br>31 Dec 2006<br>£ | 18 months ended<br>30 June 2006<br>£ |
|---|-------|------------------------------------|--------------------------------------|
| Turnover  | 2     | -                                  | 584,339                              |
| Cost of sales                                       |       | -                                  | (207,810)                            |
| <b>Gross profit</b>                                 |       | -                                  | 376,529                              |
| Distribution costs                                  |       | -                                  | (39,308)                             |
| Administrative expenses                             |       | -                                  | (456,153)                            |
| Other operating income                              |       | -                                  | 4,939                                |
| <b>Operating loss</b>                               | 3     | -                                  | (113,993)                            |
| Exceptional items<br>profit on disposal of business |       | -                                  | 55,641                               |
|   |       | -                                  | (58,352)                             |
| Interest receivable                                 |       | -                                  | 1,004                                |
| Interest payable                                    | 5     | -                                  | (50)                                 |
| <b>Loss on ordinary activities before taxation</b>  |       | -                                  | (57,398)                             |
| Tax on loss on ordinary activities                  | 6     | -                                  | -                                    |
| <b>Loss for the period</b>                          |       | -                                  | (57,398)                             |

**Discontinued operations**

The company's activities were discontinued on 20 January 2006

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the loss for the above two periods

**Angel Magazines Limited**  
**Balance Sheet**  
**as at 31 December 2006**

|                             | Notes | 31 Dec 2006<br>£ | 30 June 2006<br>£ |
|-----------------------------|-------|------------------|-------------------|
| <b>Current assets</b>       |       |                  |                   |
| Debtors                     | 9     | 44,521           | 44,521            |
| <b>Net assets</b>           |       | <u>44,521</u>    | <u>44,521</u>     |
| <b>Capital and reserves</b> |       |                  |                   |
| Called up share capital     | 11    | 300,000          | 300,000           |
| Profit and loss account     | 12    | (255,479)        | (255,479)         |
| <b>Shareholder's funds</b>  | 13    | <u>44,521</u>    | <u>44,521</u>     |

A D Jeakings  
 Director

Approved by the board on 24th September 2007



**Angel Magazines Limited**  
**Cash Flow Statement**  
for the period from 1 July 2006 to 31 December 2006

|   | Notes | 6 months ended<br>31 Dec 2006<br>£ | 18 months ended<br>30 June 2006<br>£ |
|---|-------|------------------------------------|--------------------------------------|
| <b>Reconciliation of operating loss to net cash outflow from operating activities</b> |       |                                    |                                      |
| Operating loss  |       | -                                  | (113,993)                            |
| Depreciation charges  |       | -                                  | 3,384                                |
| Amortisation of goodwill  |       | -                                  | 31,735                               |
| Decrease/(increase) in debtors  |       | -                                  | 72,830                               |
| (Decrease)/increase in creditors  |       | -                                  | (867,549)                            |
| <b>Net cash outflow from operating activities</b>                                     |       | <u>-</u>                           | <u>(873,593)</u>                     |
| <b>CASH FLOW STATEMENT</b>  |       |                                    |                                      |
| <b>Net cash outflow from operating activities</b>                                     |       | -                                  | (873,593)                            |
| <b>Returns on investments and servicing of finance</b>                                | 14    | -                                  | 954                                  |
| <b>Capital expenditure</b>  | 14    | <u>-</u>                           | <u>559,249</u>                       |
|   |       | -                                  | (313,390)                            |
| <b>Financing</b>  | 14    | -                                  | 299,999                              |
| <b>Decrease in cash</b>   |       | <u>-</u>                           | <u>(13,391)</u>                      |
| <b>Reconciliation of net cash flow to movement in net debt</b>                        |       |                                    |                                      |
| <b>Decrease in cash in the period</b>   |       | -                                  | (13,391)                             |
| <b>Change in net debt</b>   | 15    | <u>-</u>                           | <u>(13,391)</u>                      |
| <b>Net funds at 1 July / 1 January</b>  |       | -                                  | 13,391                               |
| <b>Net funds at 31 December / 30 June</b>   |       | <u>-</u>                           | <u>-</u>                             |



**Angel Magazines Limited**  
**Notes to the Accounts**  
**for the period from 1 July 2006 to 31 December 2006**

**1 Accounting policies**

***Accounting convention***

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

***Intangible fixed assets***

On the acquisition of a business, fair values are attributable to the assets acquired. Where the cost of acquisition exceeds the fair values attributable to such assets, the difference is treated as purchased goodwill and capitalised in the balance sheet in the year of acquisition.

Purchased goodwill is amortised over its estimated useful life up to a maximum of 20 years. The directors regard 20 years as a reasonable maximum for the estimated useful life of goodwill since it is difficult to make projections exceeding this period.

The directors review the carrying values of intangible fixed assets annually, and where an impairment is identified they are written down to their recoverable amounts, representing value in use to the business.

***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

|                     |                   |
|---------------------|-------------------|
| Plant and machinery | over 3 to 5 years |
|---------------------|-------------------|

***Stocks***

Stock is valued at the lower of cost and net realisable value.

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

***Leasing and hire purchase commitments***

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

***Revenue and cost recognition***

Advertising revenue is recognised in the month of issue publication, and direct costs in respect of that issue are also recognised in that particular month.

All other running costs are recognised in the period to which they relate.

All revenue is net of value added tax and trade discounts.

**Angel Magazines Limited**  
**Notes to the Accounts**  
**for the period from 1 July 2006 to 31 December 2006**

**2 Turnover**

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts

Turnover is attributable to one continuing activity, that of magazine activity

**3 Operating loss**

**31 Dec 2006**  
£

**30 June 2006**  
£

This is stated after charging

|  |   |        |
|--|---|--------|
| Depreciation of owned fixed assets           | - | 3,384  |
| Amortisation of goodwill                     | - | 31,735 |
| Operating lease rentals - land and buildings | - | 26,507 |
| Auditors' remuneration                       | - | 1,500  |

**4 Staff costs**

**6 months ended**  
**31 Dec 2006**  
£

**18 months ended**  
**30 June 2006**  
£

|                       |   |         |
|-----------------------|---|---------|
| Wages and salaries    | - | 199,422 |
| Social security costs | - | 14,317  |
|                       | - | 213,739 |

**Average number of employees during the year**

**Number**

**Number**

|                       |   |   |
|-----------------------|---|---|
| Administration        | - | 1 |
| Production and design | - | 1 |
| Editorial             | - | 1 |
| Sales                 | - | 4 |
|                       | - | 7 |

**5 Interest payable**

**6 months ended**  
**31 Dec 2006**  
£

**18 months ended**  
**30 June 2006**  
£

|                           |   |    |
|---------------------------|---|----|
| Bank loans and overdrafts | - | 50 |
|---------------------------|---|----|

**Angel Magazines Limited**  
**Notes to the Accounts**  
**for the period from 1 July 2006 to 31 December 2006**

| <b>6 Taxation</b>                    | <b>6 months ended<br/>31 Dec 2006<br/>£</b> | <b>18 months ended<br/>30 June 2006<br/>£</b> |
|--------------------------------------|---|---|
| <b>Analysis of charge in period</b>  |   |   |
| Tax on profit on ordinary activities | -   | -   |

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

|  | <b>6 months ended<br/>31 Dec 2006<br/>£</b> | <b>18 months ended<br/>30 June 2006<br/>£</b> |
|--|---|---|
| Loss on ordinary activities before tax   | -   | (57,398)                                      |
| Standard rate of corporation tax in the UK                                       | 30%   | 30%   |
|  | <b>£</b>                                    | <b>£</b>                                      |
| Profit on ordinary activities multiplied by the standard rate of corporation tax | -   | (17,219)                                      |
| Effects of   |   |   |
| Group relief not paid over   | -   | 33,050  |
| Expenses not deductible for tax purposes   | -   | 143   |
| Capital allowances for period in excess of depreciation                          | -   | 718   |
| Intra-group sale of business not taxable   | -   | (16,692)                                      |
| Current tax charge for period  | -   | -   |

**Factors affecting future tax charges**

The company's tax losses of £137,521 were transferred to its parent undertaking on 20 January 2006 following acquisition and the immediate transfer of the company's trading activity

**Angel Magazines Limited**  
**Notes to the Accounts**  
**for the period from 1 July 2006 to 31 December 2006**

| <b>7 Debtors</b>   | <b>31 Dec 2006<br/>£</b> | <b>30 June 2006<br/>£</b> |
|--|--------------------------|---------------------------|
| Amounts owed by group undertakings and undertakings<br>in which the company has a participating interest | <u>44,521</u>            | <u>44,521</u>             |

| <b>8 Share capital</b>                   | <b>31 Dec 2006<br/>£</b> | <b>30 June 2006<br/>£</b> |
|--|--------------------------|---------------------------|
| Authorised<br>Ordinary shares of £1 each | <u>300,000</u>           | <u>300,000</u>            |

|  | <b>31 Dec 2006<br/>No</b> | <b>30 June 2006<br/>No</b> |
|--|---------------------------|----------------------------|
| Allotted, called up and fully paid<br>Ordinary shares of £1 each | <u>300,000</u>            | <u>300,000</u>             |

|  | <b>31 Dec 2006<br/>£</b> | <b>30 June 2006<br/>£</b> |
|--|--------------------------|---------------------------|
| Allotted, called up and fully paid<br>Ordinary shares of £1 each | <u>300,000</u>           | <u>300,000</u>            |

299,999 ordinary shares of £1 each were issued during the period ended 30 June 2006 at par value

| <b>9 Profit and loss account</b> | <b>31 Dec 2006<br/>£</b> | <b>30 June 2006<br/>£</b> |
|----------------------------------|--------------------------|---------------------------|
| At 1 July / 1 January            | (255,479)                | (198,081)                 |
| Loss for the period              | -                        | (57,398)                  |
| At 31 December / 30 June         | <u>(255,479)</u>         | <u>(255,479)</u>          |

**Angel Magazines Limited**  
**Notes to the Accounts**  
**for the period from 1 July 2006 to 31 December 2006**

| <b>10 Reconciliation of movement in shareholder's funds</b> | <b>31 Dec 2006</b> | <b>30 June 2006</b> |
|---|--------------------|---------------------|
|   | <b>£</b>           | <b>£</b>            |
| At 1 July / 1 January                                       | 44,521             | (198,080)           |
| Loss for the financial period                               | -                  | (57,398)            |
| Shares issued   | -                  | 299,999             |
| At 31 December / 30 June                                    | <u>44,521</u>      | <u>44,521</u>       |

| <b>11 Gross cash flows</b>                             | <b>31 Dec 2006</b> | <b>30 June 2006</b> |
|--|--------------------|---------------------|
|  | <b>£</b>           | <b>£</b>            |
| <b>Returns on investments and servicing of finance</b> |                    |                     |
| Interest received                                      | -                  | 1,004               |
| Interest paid  | -                  | (50)                |
|  | <u>-</u>           | <u>954</u>          |
| <b>Capital expenditure</b>                             |                    |                     |
| Receipts from sales of tangible fixed assets           | -                  | 1,249               |
| Receipts from sale of business                         | -                  | 558,000             |
|  | <u>-</u>           | <u>559,249</u>      |
| <b>Financing</b>                                       |                    |                     |
| Issue of share capital                                 | -                  | 299,999             |

**12 Immediate and ultimate parent undertakings, and controlling party**

The immediate parent undertaking is Archant Life Limited, and the ultimate parent undertaking is Archant Limited. Both companies are registered in England and Wales. No one individual has a controlling interest in Archant Limited.

**Angel Magazines Limited**  
**Profit and Loss Account**  
**for the period from 1 July 2006 to 31 December 2006**  
*for the information of the directors only*

|                         | <b>6 months ended<br/>31 Dec 2006<br/>£</b> | <b>18 months ended<br/>30 June 2006<br/>£</b> |
|-------------------------|---|---|
| <b>Sales</b>            | -   | 584,339                                       |
| Cost of sales           | -   | (207,810)                                     |
| <b>Gross profit</b>     | -   | 376,529                                       |
| Distribution costs      | -   | (39,308)                                      |
| Administrative expenses | -   | (456,153)                                     |
| Other operating income  | -   | 4,939   |
| <b>Operating loss</b>   | -   | (113,993)                                     |
| Exceptional items       | -   | 55,641  |
| Interest receivable     | -   | 1,004   |
| Interest payable        | -   | (50)  |
| <b>Loss before tax</b>  | -   | (57,398)                                      |

**Angel Magazines Limited**  
**Schedule to the Profit and Loss Account**  
**for the period from 1 July 2006 to 31 December 2006**  
*for the information of the directors only*

|                                 | 6 months ended<br>31 Dec 2006<br>£ | 18 months ended<br>30 June 2006<br>£ |
|---------------------------------|------------------------------------|--------------------------------------|
| <b>Sales</b>                    |                                    |                                      |
| Sales                           | -                                  | 584,339                              |
| <b>Cost of sales</b>            |                                    |                                      |
| Reproduction                    | -                                  | 245                                  |
| Paper                           | -                                  | 102,329                              |
| Printing                        | -                                  | 97,601                               |
| Contributors                    | -                                  | 4,015                                |
| Insert                          | -                                  | 832                                  |
| Photography                     | -                                  | 2,588                                |
| Other direct costs              | -                                  | 200                                  |
|                                 | -                                  | 207,810                              |
| <b>Distribution costs</b>       |                                    |                                      |
| Distribution costs              | -                                  | 39,308                               |
| <b>Administrative expenses</b>  |                                    |                                      |
| Employee costs                  |                                    |                                      |
| Salaries and commissions        | -                                  | 199,422                              |
| Employer's NI                   | -                                  | 14,317                               |
| Temporary staff and recruitment | -                                  | 4,295                                |
| Staff training and welfare      | -                                  | 109                                  |
| Travel and subsistence          | -                                  | 2,921                                |
| Motor expenses                  | -                                  | -                                    |
| Entertaining                    | -                                  | 730                                  |
|                                 | -                                  | 221,794                              |
| Premises costs                  |                                    |                                      |
| Rent                            | -                                  | 26,507                               |
| Rates                           | -                                  | 307                                  |
| Service charges                 | -                                  | 5,821                                |
| Light and heat                  | -                                  | 1,012                                |
| Cleaning                        | -                                  | 2,138                                |
|                                 | -                                  | 35,785                               |
| General administrative expenses |                                    |                                      |
| Management charges              | -                                  | 91,000                               |
| Telephone, fax and Internet     | -                                  | 4,933                                |
| Postage                         | -                                  | 3,600                                |
| Stationery and printing         | -                                  | 970                                  |
| Bank charges                    | -                                  | 841                                  |
| Insurance                       | -                                  | 477                                  |
| IT costs                        | -                                  | 4,345                                |
| Repairs and maintenance         | -                                  | 25,000                               |
| Depreciation                    | -                                  | 3,384                                |
| Amortisation of goodwill        | -                                  | 31,735                               |
| Bad debts                       | -                                  | 24,084                               |
| Sundry expenses                 | -                                  | 795                                  |
|                                 | -                                  | 191,164                              |

**Angel Magazines Limited**  
**Schedule to the Profit and Loss Account**  
**for the period from 1 July 2006 to 31 December 2006**  
*for the information of the directors only*

|                               | <b>6 months ended<br/>31 Dec 2006<br/>£</b> | <b>18 months ended<br/>30 June 2006<br/>£</b> |
|-------------------------------|---|---|
| Legal and professional costs  |   |   |
| Audit fees                    | -   | 1,500   |
| Accountancy fees              | -   | 2,500   |
| Consultancy fees              | -   | 2,620   |
| Advertising and PR            | -   | -   |
| Other legal and professional  | -   | 790   |
|                               | -   | <u>7,410</u>                                  |
|                               |   |   |
|                               | -   | <u>456,153</u>                                |
| <b>Other operating income</b> |   |   |
| Other operating income        | -   | <u>4,939</u>                                  |