

# **Future Publishing (Overseas) Limited**

## **Directors' report and financial statements for the year ended 30 September 2011**

**Registered number 06202940**

**Registered in England and Wales**

**WEDNESDAY**



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**COMPANIES HOUSE**

# **Future Publishing (Overseas) Limited**

## **Directors' report and financial statements for the year ended 30 September 2011**

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# **Future Publishing (Overseas) Limited**

## **Directors and advisers**

### **Directors**

G D Harding

M W Wood

### **Company Secretary**

M F Millar

### **Registered offices**

Beauford Court  
30 Monmouth Street  
Bath  
BA1 2BW  
UK

PricewaterhouseCoopers Legal Services Pty Ltd  
Darling Park, Tower 2, Level 3  
201 Sussex Street  
Sydney NSW 2000  
Australia

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place  
London  
WC2N 6RH

### **Bankers**

Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP  
UK

National Australia Bank Limited  
Level 15 Ernst & Young Centre  
World Square 680 George Street  
Sydney NSW2000  
Australia

### **Solicitors**

Jones Day  
2 Chifley Square  
Sydney  
NSW 2000  
Australia

# **Future Publishing (Overseas) Limited**

## **Directors' report for the year ended 30 September 2011**

The Directors present their report and the audited financial statements of the Company for the year ended 30 September 2011

### **Business review and principal activities**

The principal activity of the Company is the creation of special interest consumer magazines, websites and events for the Australian and New Zealand markets

### **Results**

The results of the Company for the year are set out in detail on page 6. The loss for the financial year of £68,000 (2010 profit £51,000) has been deducted from reserves

### **Directors**

The Directors of the Company during the year, and up to the date of signing the financial statements, were

G D Harding

M W Wood

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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

## Future Publishing (Overseas) Limited

In the case of each Director in office

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the Board

A handwritten signature in black ink, appearing to read 'G D Harding', written in a cursive style.

G D Harding  
Director

24 February 2012

# **Future Publishing (Overseas) Limited**

## **Independent auditors' report to the members of Future Publishing (Overseas) Limited**

We have audited the financial statements of Future Publishing (Overseas) Limited for the year ended 30 September 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

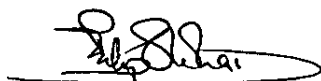
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Future Publishing (Overseas) Limited

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Philip Stokes (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

24 February 2012

## **Future Publishing (Overseas) Limited**

### **Profit and loss account for the year ended 30 September 2011**

	Note	2011 £'000	2010 £ 000
Turnover	1	2,609	2,468
Cost of sales		(1,994)	(1,763)
Gross profit		615	705
Distribution costs		(131)	(111)
Administrative expenses		(558)	(544)
Operating (loss)/profit		(74)	50
Interest receivable and similar income	4	9	1
(Loss)/profit on ordinary activities before taxation	2	(65)	51
Tax on loss on ordinary activities	5	(3)	-
(Loss)/profit for the financial year	11	(68)	51

The results were generated from operations classed as continuing

There is no material difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year stated above and their historical cost equivalents



## **Future Publishing (Overseas) Limited**

### **Statement of total recognised gains and losses for the year ended 30 September 2011**

	2011 £'000	2010 £ 000
(Loss)/profit for the financial year	(68)	51
Currency translation differences	10	51
<b>Total recognised (losses)/gains relating to the year</b>	<b>(58)</b>	<b>102</b>

# Future Publishing (Overseas) Limited

## Balance sheet as at 30 September 2011

		2011	2010
	Notes	£'000	£ 000
<b>Fixed assets</b>			
Intangible assets	6	-	-
Tangible assets	7	2	3
		2	3
<b>Current assets</b>			
Debtors	8	658	807
Cash at bank and in hand		396	271
		1,054	1,078
<b>Creditors amounts falling due within one year</b>	9	(617)	(584)
<b>Net current assets</b>		437	494
<b>Net assets</b>		439	497
<b>Capital and reserves</b>			
Called-up share capital	10	-	-
Share premium account	11	2,100	2,100
Profit and loss account	11	(1,661)	(1,603)
<b>Total shareholders' funds</b>	12	439	497

The financial statements on pages 6 to 17 were approved by the Board of Directors on 24 February 2012 and are signed on its behalf by



G D Harding  
Director

Registered number 06202940

# **Future Publishing (Overseas) Limited**

## **Accounting policies**

The financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and accounting standards applicable in the United Kingdom. The principal accounting policies, which have been consistently applied throughout the year, are set out below.

### **Cash flow statement**

The Company has taken advantage of the exemption allowed under FRS 1. Cash flow statements [revised 1996], not to include a cash flow statement, as it is a wholly owned subsidiary within a group for which cash flows are included in the consolidated cash flow statement.

### **Turnover**

Turnover is the amount derived from the provision of goods and services falling within the Company's ordinary activities after deduction of trade discounts, provision for returns and goods and services tax. The following recognition criteria also apply:

- Magazine circulation and advertising revenue is recognised according to the date that the related publication goes on sale
- Event income is recognised when the event has taken place
- Other revenue is recognised at the time of sale or provision of service

### **Deferred tax**

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

### **Local and presentation currency**

The local currency of the Company is Australian dollars while the presentation currency for these financial statements is UK sterling. The results and financial position of the Company are translated into the presentation currency as follows:

- a) Monetary assets and liabilities in the balance sheet are translated at the date of that balance sheet,
- b) Income and expenses for each income statement are translated at average exchange rates, and
- c) Resulting exchange differences are recognised as a component of the profit and loss reserve.

### **Foreign currencies**

Transactions in currencies other than the local currency are recorded at the rate of exchange ruling at the date of the transaction or where forward exchange contracts have been arranged, at the contracted rate. With the exception of exchange differences arising from translation into presentation currency as outlined above, all foreign currency gains and losses realised and unrealised are taken to the profit and loss account.

## **Future Publishing (Overseas) Limited**

### **Intangible fixed assets**

Intangible fixed assets are capitalised and amortised on a straight line basis over the estimated useful lives, which are considered to be

- |                    |  |
|--------------------|--|
| Non-compete assets | - Over the year of the non compete agreement |
| Subscription lists | - 2 years                                    |

Internally developed goodwill and other intangible assets are not capitalised

### **Development costs**

Launch, subscription and magazine development costs are written off in full as incurred. Costs incurred in the development of new websites are capitalised as tangible fixed assets only where the cost can be directly attributed to developing the website to operate in the manner intended by management and only to the extent of the future economic benefits expected from its use.

### **Tangible fixed assets**

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated to write down the cost or valuation of the tangible fixed assets to their estimated residual values by equal annual instalments over the year of their useful lives, which are considered to be

- |                                  |                         |
|----------------------------------|-------------------------|
| Plant and machinery              | - Between 1 and 5 years |
| Equipment, fixtures and fittings | - Between 1 and 5 years |

### **Pensions**

The Company pays contributions into privately administered defined contribution schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The Company has no further obligations once the contributions have been paid. Contributions payable in respect of defined contribution schemes are charged to the profit and loss account as they are incurred.

### **Deferred income**

Subscription payments received are held in the balance sheet and recognised in the profit and loss account on publication of each related issue.

### **Leases**

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

# Future Publishing (Overseas) Limited

## Notes to the financial statements for the year ended 30 September 2011

### 1 Turnover

Turnover is derived solely from the principal activities of the Company based on operations in Australia which are considered by the Directors to be one class of business derived from external customers. An analysis of Turnover by geographical destination is shown below

	2011 £'000	2010 £ 000
Australia	2,306	2,338
United States and Canada	15	-
UK	154	12
Rest of the world	134	118
	2,609	2,468

### 2 (Loss)/profit on ordinary activities before taxation

(Loss)/profit on ordinary activities before taxation is arrived at after charging

	2011 £'000	2010 £ 000
Employee costs (note 3)	757	724
Depreciation of tangible fixed assets (note 8)	3	15
Amortisation of intangible fixed assets (note 7)	-	57
Operating leases - other	50	44
Fees paid to auditors (including expenses)		
- audit fees*	-	-
- tax advice and consultancy work	13	8
Total fees	13	8

\*The audit fees are borne by the parent company, Future Publishing Limited. It is not possible to make an accurate apportionment of the audit fees in respect of each of the subsidiaries. The total audit fee payable in respect of the parent company and other group subsidiaries of the ultimate parent company, Future plc, was £97,000.

# Future Publishing (Overseas) Limited

## Notes to the financial statements for the year ended 30 September 2011 (continued)

### 3 Employee information and Directors' emoluments

#### Employees

The average monthly number employed by the Company during the year, including Directors, was

By activity	2011 Number	2010 Number
Production and publication staff	12	10
Administration staff	3	3
	15	13

The costs incurred in respect of these employees were

	2011 £'000	2010 £'000
Wages and salaries	674	646
Social security costs	21	19
Other pension costs (see note 14)	62	59
	757	724

#### Directors

The Directors did not receive emoluments from the Company in respect of their services to the Company. The emoluments and company contributions to defined contribution pension schemes of G D Harding and M W Wood were paid by the Company's immediate parent company, Future Publishing Limited. In 2011, £11,000 (2010: £11,000) was recharged to the Company by Future Publishing Limited in respect of G D Harding. In 2011 no recharge to the Company was made by Future Publishing Limited in respect of M W Wood (2010: nil).

### 4 Interest receivable and similar income

	2011 £'000	2010 £'000
Bank interest receivable	9	1

# Future Publishing (Overseas) Limited

## Notes to the financial statements for the year ended 30 September 2011 (continued)

### 5 Tax on loss on ordinary activities

#### (a) Analysis of tax charge in the year

	2011 £'000	2010 £ 000
<b>Current tax</b>		
Corporation tax on (loss)/profit for the year	-	-
Adjustments to corporation tax in respect of prior years	3	-
<b>Total current tax charge</b>	<b>3</b>	<b>-</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
<b>Total tax on (loss)/profit on ordinary activities</b>	<b>3</b>	<b>-</b>

#### Factors affecting the tax charge for the year

While the Company is tax resident in Australia, the following table explains the differences arising between the tax assessed in each year from that of the standard rate of corporation tax in the UK for the relevant year

	2011 £'000	2010 £ 000
<b>(Loss)/profit on ordinary activities before taxation</b>	<b>(65)</b>	<b>51</b>
(Loss)/profit on ordinary activities multiplied by the standard UK corporation tax rate of 27% (2010 UK tax rate of 28%)	(18)	14
Different tax rates applicable overseas	(2)	1
Expenses not deductible for tax purposes	6	20
Losses brought forward	-	(35)
Losses not subject to UK tax	14	-
Adjustments to tax in respect of prior years	3	-
<b>Total current tax charge</b>	<b>3</b>	<b>-</b>

The Company has an unprovided deferred tax asset on tax losses totalling £151,000 (2010 £147,000). A deferred tax asset in relation to these losses has not been recognised as the Directors consider that it is unlikely that there will be sufficient taxable profits in the future.

# Future Publishing (Overseas) Limited

## Notes to the financial statements for the year ended 30 September 2011 (continued)

### 6 Intangible fixed assets

	Non-compete asset £'000	Subscription lists £'000	Total £'000
<b>Cost</b>			
At 1 October 2010	74	206	280
Exchange adjustments	2	4	6
<b>At 30 September 2011</b>	<b>76</b>	<b>210</b>	<b>286</b>
<b>Accumulated amortisation</b>			
At 1 October 2010	(74)	(206)	(280)
Exchange adjustments	(2)	(4)	(6)
<b>At 30 September 2011</b>	<b>(76)</b>	<b>(210)</b>	<b>(286)</b>
<b>Net book value at 30 September 2011</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net book value at 30 September 2010	-	-	-

### 7 Tangible fixed assets

	Plant and machinery £'000	Equipment fixtures and fittings £'000	Total £'000
<b>Cost or valuation</b>			
At 1 October 2010	45	1	46
Additions	2	-	2
Exchange adjustments	1	-	1
<b>At 30 September 2011</b>	<b>48</b>	<b>1</b>	<b>49</b>
<b>Accumulated depreciation</b>			
At 1 October 2010	(42)	(1)	(43)
Charge for the year	(3)	-	(3)
Exchange adjustments	(1)	-	(1)
<b>At 30 September 2011</b>	<b>(46)</b>	<b>(1)</b>	<b>(47)</b>
<b>Net book value at 30 September 2011</b>	<b>2</b>	<b>-</b>	<b>2</b>
Net book value at 30 September 2010	3	-	3



## **Future Publishing (Overseas) Limited**

### **Notes to the financial statements for the year ended 30 September 2011 (continued)**

#### **8 Debtors**

	2011 £'000	2010 £ 000
Trade debtors	614	774
Other debtors	4	10
Prepayments and accrued income	40	23
	658	807

#### **9 Creditors: amounts falling due within one year**

	2011 £'000	2010 £ 000
Trade creditors	217	208
Amounts owed to group undertakings	198	53
Taxation and social security	29	48
Other creditors	16	44
Accruals and deferred income	157	231
	617	584

#### **10 Called-up share capital**

	2011 £'000	2010 £ 000
Allotted and fully paid		
2 ordinary shares of £1 each	-	-

# Future Publishing (Overseas) Limited

## Notes to the financial statements for the year ended 30 September 2011 (continued)

### 11 Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 October 2010	2,100	(1,603)
Currency translation differences	-	10
Loss for the financial year	-	(68)
At 30 September 2011	2,100	(1,661)

### 12 Reconciliation of movements in shareholders' funds

	2011 £'000	2010 £ 000
Opening shareholders' funds	497	395
(Loss)/profit for the financial year	(68)	51
Currency translation difference	10	51
Closing shareholders' funds	439	497

### 13 Financial commitments

At 30 September 2011 the Company had annual commitments under non-cancellable operating leases expiring as follows

	2011 Land and buildings £'000	2010 Land and buildings £ 000
Within one year	12	46
Within two to five years	-	12
	12	58

### 14 Pensions

The pension cost for the defined contribution schemes which represents contributions payable by the Company, amounted to £62,000 (2010 £59,000). Included in other creditors is £15,000 (2010 £15,933) in respect of contributions due to be paid to schemes. This was paid to the schemes in October 2011.

# **Future Publishing (Overseas) Limited**

## **Notes to the financial statements for the year ended 30 September 2011 (continued)**

### **15 Related party disclosures**

The Company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8, Related Party Disclosures, not to disclose related party transactions with Future plc or other group undertakings, on the grounds that it is a wholly owned subsidiary of a group headed by Future plc, in which the Company is consolidated

### **16 Ultimate parent undertaking and ultimate controlling party**

The Company is controlled by its immediate parent undertaking, Future Publishing Limited which owns 100% of the shares. The ultimate parent undertaking and controlling party is Future plc, a company registered in England and Wales, which is the smallest and largest group for which group financial statements are prepared and of which the Company is a member. Copies of the group financial statements may be obtained from Future plc, Beauford Court, 30 Monmouth Street, Bath, BA1 2BW