

Wordsworth Editions Limited

Report and Abbreviated Financial Statements

Year Ended

31 May 2000



BDO Stoy Hayward
Chartered Accountants



Wordsworth Editions Limited

Annual report and financial statements for the year ended 31 May 2000

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Directors

M.C.W.Trayler
D.R.Hart
E.G.Trayler

Secretary and registered office

E.G.Trayler, Prospect Place, 85 Great North Road, Hatfield, Herts, AL9 5BS

Company number

2090233

Auditors

BDO Stoy Hayward, Prospect Place, 85 Great North Road
Hatfield, Herts, AL9 5BS

Bankers

National Westminster Bank plc., 1 Finsbury Square, London, EC2A 1AA

Wordsworth Editions Limited

Report of the auditors

Report of the auditors to Wordsworth Editions Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 3 to 7 together with the financial statements of the company for the year ended 31 May 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

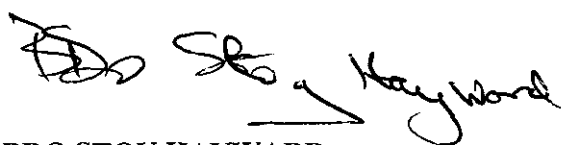
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 3 to 7 are properly prepared in accordance with those provisions.



BDO STOY HAYWARD

*Chartered Accountants
and Registered Auditors
Hatfield*

30 March 2001

Wordsworth Editions Limited

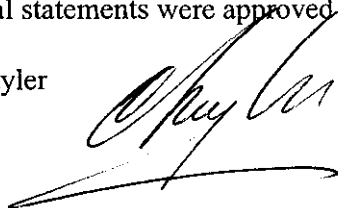
Balance sheet at 31 May 2000

	Note	2000 £	2000 £	1999 £	1999 £
Fixed assets					
Tangible assets	3		496,189		445,278
Investments	2		5,200		5,200
			<u>501,389</u>		<u>450,478</u>
Current assets					
Stocks		800,740		775,797	
Debtors		742,688		908,859	
Cash at bank and in hand		62,443		155,293	
		<u>1,605,871</u>		<u>1,839,949</u>	
Creditors: amounts falling due within one year	4	1,128,339		1,275,636	
		<u>1,128,339</u>		<u>1,275,636</u>	
Net current assets			477,532		564,313
Total assets less current liabilities			<u>978,921</u>		<u>1,014,791</u>
Creditors: amounts falling due after more than one year		8,526		4,179	
Provision for liabilities and charges		19,500		19,500	
		<u>28,026</u>		<u>23,679</u>	
			<u>950,895</u>		<u>991,112</u>
Capital and reserves					
Called up share capital	5		20,000		20,000
Profit and loss account			930,895		971,112
Equity shareholders' funds			<u>950,895</u>		<u>991,112</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on

M.C.W. Trayler
Director

 29/3/2001

The notes on pages 4 to 7 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets over their expected useful lives. It is calculated at the following rates:

Typesetting, proof reading & colour films	- 10% - 25% based on written down value
Motor vehicles	- 25% based on written down value
Fixtures, fittings and equipment	- 20% based on cost or over the lease term

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Investments held as current assets are stated at the lower of cost and net realisable value.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Stock sold on consignment is recognised as stock of the company until the transfer of title has crystallised.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

1 Accounting policies (*continued*)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

2 Fixed asset investments

	Total £
<i>Cost</i>	
At 1 June 1999 and 31 May 2000	5,200
<i>Net book value</i>	
At 31 May 1999 and 31 May 2000	5,200

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Notes forming part of the financial statements for the year ended 31 May 2000 (*Continued*)

3 Tangible fixed assets

	Total £
<i>Cost</i>	
At 1 June 1999	999,251
Additions	152,293
Disposals	(15,850)
At 31 May 2000	1,135,694
<i>Depreciation</i>	
At 1 June 1999	553,973
Provided for the year	94,648
Disposals	(9,116)
At 31 May 2000	639,505
<i>Net book value</i>	
At 31 May 2000	496,189
At 31 May 1999	445,278

4 Creditors: amounts falling due within one year

At the year end any bank overdraft arising was secured by a fixed charge over stocks and a designated bank account balance of £100,000. The charge has been released since the year end.

5 Share capital

	2000 £	1999 £	2000 £	Allotted, called up and fully paid 1999 £
<i>Equity share capital</i>				
20,000 Ordinary shares of £1 each	20,000	20,000	20,000	20,000

6 Related party disclosures

The company operates from property jointly owned by M.C.W. Trayler and E.G. Trayler. The total rent charged in the year amounted to £20,000 (1999 £20,000). The directors consider that this rent reflects market rates.

Included in 'Creditors: amounts falling due within one year' are directors loan accounts for M.C.W. Trayler and E.G. Trayler. At 31 May 2000 the company owed £337,079 (1999 £347,434) and £181,885 (1999 £191,069) to M.C.W. Trayler and E.G. Trayler respectively. M.C.W. Trayler was paid interest totalling £16,048 (1999 £Nil) and E.G. Trayler was paid interest totalling £34,388 (1999 £34,388)

During the year a loan of £25,000 was made to Saga Bargain Books Limited, a company for which A.M. Palmer is a director. The loan was written off as an irrecoverable bad debt at the year end. No interest was charged on the loan.

Included in other debtors in 1999 was an amount of £2,250 due from A.M. Palmer. The maximum amount outstanding during the year was £2,250. The loan was written off as an irrecoverable bad debt at the year end. No interest was charged on the loan.