

2090222

Wordsworth Editions Limited

Report and Abbreviated Financial Statements

Year Ended

31 May 2001



BDO Stoy Hayward
Chartered Accountants

Wordsworth Editions Limited

Annual report and financial statements for the year ended 31 May 2001

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Directors

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

Secretary and registered office

E.G.Ranson, 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

Lloyds TSB Bank Plc, Commercial Banking Service Centre, Third Floor, Black Horse
House, Castle Park, Cambridge, CB3 0AR

Wordsworth Editions Limited

Report of the independent auditors

Independent auditors' report to Wordsworth Editions Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 3 to 9 together with the financial statements of the company for the year ended 31 May 2001 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 audit 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 9 are properly prepared in accordance with those provisions.



BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
Hatfield

29 June 2001

Wordsworth Editions Limited

Balance sheet at 31 May 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	2		472,755		496,189
Investments	3		5,200		5,200
			477,955		501,389
Current assets					
Stocks		879,474		800,740	
Debtors		882,877		742,688	
Cash at bank and in hand		-		62,443	
		1,762,351		1,605,871	
Creditors: amounts falling due within one year	4	1,491,288		1,128,339	
Net current assets			271,063		477,532
Total assets less current liabilities			749,018		978,921
Creditors: amounts falling due after more than one year		2,694		8,526	
Provision for liabilities and charges		-		19,500	
			2,694		28,026
			746,324		950,895
Capital and reserves					
Called up share capital	5		20,000		20,000
Profit and loss account			726,324		930,895
Equity shareholders' funds			746,324		950,895

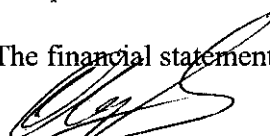
The notes on pages 5 to 9 form part of these financial statements.

Wordsworth Editions Limited

Balance sheet at 31 May 2001 (*Continued*)

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 29 June 2001.



M.C.W. Trayler
Director

The notes on pages 5 to 9 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.

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Notes forming part of the financial statements for the year ended 31 May 2001 (*Continued*)

2 Tangible fixed assets

	Total £
<i>Cost</i>	
At 1 June 2000	1,135,694
Additions	73,959
Disposals	(17,400)
At 31 May 2001	1,192,253
<i>Depreciation</i>	
At 1 June 2000	639,505
Provided for the year	84,343
Disposals	(4,350)
At 31 May 2001	719,498
<i>Net book value</i>	
At 31 May 2001	472,755
At 31 May 2000	496,189

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Notes forming part of the financial statements for the year ended 31 May 2001 (*Continued*)

3 Fixed asset investments

	Total £
<i>Cost</i>	
At 1 June 2000 and 31 May 2001	5,200
<i>Net book value</i>	
At 31 May 2000 and 31 May 2001	5,200

4 Creditors: amounts falling due within one year

The bank overdraft of £258,413 is secured by a fixed and floating charge over the assets of the company.

5 Share capital

	2001 £	Authorised 2000 £	Allotted, called up and fully paid 2001 £	paid 2000 £
<i>Equity share capital</i>				
20,000 Ordinary shares of £1 each	20,000	20,000	20,000	20,000

6 Related party transactions

The company operates from property jointly owned by M.C.W. Trayler and E.G. Ranson. The total rent charged in the year amounted to £20,000 (2000 £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. Ranson. At 31 May 2001 the company owed £332,599 (2000 £337,079) and £172,041 (2000 £181,885) to M.C.W. Trayler and E.G. Ranson respectively. M.C.W. Trayler was paid interest totalling £27,510 (2000 £16,048) and E.G. Ranson was paid interest totalling £27,510 (2000 £34,388).