

Wordsworth Editions Limited

ABBREVIATED ACCOUNTS

for the year ended

31 May 2002



Company Registration No. 2090233

**AUDITORS' REPORT TO WORDSWORTH EDITIONS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 May 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Registered Auditor
Chartered Accountants
446 Midsummer Boulevard
Milton Keynes
Buckinghamshire
MK9 2EA

24th January 2003

Wordsworth Editions Limited

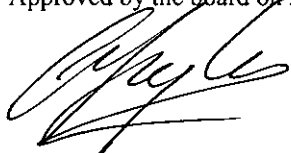
ABBREVIATED BALANCE SHEET

31 May 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	1	389,008	472,754
Investments	1	5,200	5,200
		<u>394,208</u>	<u>477,954</u>
CURRENT ASSETS			
Stocks		825,809	879,474
Debtors		861,671	843,180
Cash at bank and in hand		68	101
		<u>1,687,548</u>	<u>1,722,755</u>
CREDITORS: Amounts falling due within one year		<u>1,443,361</u>	<u>1,451,692</u>
NET CURRENT ASSETS		<u>244,187</u>	<u>271,063</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>638,395</u>	<u>749,017</u>
CREDITORS: Amounts falling due after more than one year		-	(2,694)
		<u>638,395</u>	<u>746,323</u>
CAPITAL AND RESERVES			
Called up share capital	2	20,000	20,000
Profit and loss account		618,395	726,323
SHAREHOLDERS' FUNDS		<u>638,395</u>	<u>746,323</u>

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

Approved by the board on 24 January 2003



Director



Director

Wordsworth Editions Limited

ABBREVIATED ACCOUNTS

for the year ended 31 May 2002

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

RESEARCH AND DEVELOPMENT

All research and development costs are written off as incurred. Development expenditure is carried forward when its future recoverability can be foreseen with reasonable assurance and is amortised in line with sales from the related product. All research and other development costs are written off as incurred.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Licence	Over its useful life
Plant and machinery	10% - 25% based on written down value
Fixtures, fittings & equipment	20% based on cost or over the lease term
Motor vehicles	25% based on written down value

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCK

Stock is valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

DEFERRED TAXATION

Deferred tax is recognised in respect of all 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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

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

Deferred tax is measured on a non discounted basis.

LEASED ASSETS AND OBLIGATIONS

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 obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

PENSIONS CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

Wordsworth Editions Limited
ABBREVIATED ACCOUNTS (CONTINUED)
for the year ended 31 May 2002

FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

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NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 May 2002

1. FIXED ASSETS

	<i>Tangible assets</i>	<i>Investments</i>	<i>Total</i>
	£	£	£
Cost			
1 June 2001	1,192,072	5,200	1,197,272
Additions	27,225	-	27,225
Disposals	(117,726)	-	(117,726)
31 May 2002	1,101,571	5,200	1,106,771
Depreciation			
1 June 2001	719,318	-	719,318
On disposals	(77,792)	-	(77,792)
Charge for the year	71,037	-	71,037
31 May 2002	712,563	-	712,563
Net book value			
31 May 2002	389,008	5,200	394,208
31 May 2001	472,754	5,200	477,954

2. SHARE CAPITAL

	2002	2001
	£	£
Authorised		
20,000 Ordinary shares of £ 1 each	20,000	20,000
Allotted, issued and fully paid		
20,000 Ordinary shares of £ 1 each	20,000	20,000

3. TRANSACTIONS WITH DIRECTORS

The company operates from a property jointly owned by MCW Trayler and EG Ranson. The total rent charged in the year amounted to £20,000 (2001: £20,000). The directors consider that this rent reflects market rates.

At the year end the company owed £327,458 (2001: £332,599) and £162,519 (2001: £171,041) to MCW Trayler and EG Ranson respectively. Both directors were paid interest totalling £27,510 (2001: £27,510).