

BUTTERWORTH & CO. (PUBLISHERS) LIMITED**BALANCE SHEET AT 31 DECEMBER 2004**

	Note	31.12.04 £'000	31.12.03 £'000
FIXED ASSETS			
Investments	1	936	936
CURRENT ASSETS			
Debtors (amounts falling due within one year)	2	<u>3,064</u>	<u>3,064</u>
		3,064	3,064
LIABILITIES			
Creditors (amounts falling due within one year)	3	<u>(3,348)</u>	<u>(3,348)</u>
		<u>652</u>	<u>652</u>
CAPITAL AND RESERVES			
Share capital	4	625	625
Other reserves		<u>27</u>	<u>27</u>
		<u>652</u>	<u>652</u>

For the year ended 31 December 2004 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- ensuring the company keeps accounting records which comply with section 221; and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The Company's ultimate parent undertaking and controlling entity is Reed Elsevier Group plc (formerly Reed Elsevier plc), a company incorporated in Great Britain. The smallest and largest group into which the accounts of the Company for the year ended 31 December 2004 are consolidated is Reed Elsevier Group plc.

Approved by the board of directors on 1 August 2005 and signed by

R Eastmond
Director


Notes**1. Investments****Investment in subsidiary undertakings**

	31.12.04 £'000	31.12.03 £'000
Shares at cost	1,602	1,602
Provisions	<u>(666)</u>	<u>(666)</u>
Net book amount	<u>936</u>	<u>936</u>

Principal subsidiary undertakings

	Country of registration	Proportion held
Publishing:		
Butterworth (Ireland) Limited	Eire	100%
Butterworth & Co. (Overseas) Limited	England	100%
Professional Books Limited	England	100%

In the opinion of the directors the value of the company's investments are not less than the amounts they are stated at in the balance sheet



BUTTERWORTH & CO. (PUBLISHERS) LIMITED**NOTES TO THE ACCOUNTS**
AT 31 DECEMBER 2004 CONTINUED

	31.12.04 £'000	31.12.03 £'000
2. Debtors (amounts falling due within one year)		
Amounts owed by fellow subsidiary undertakings	<u>3,064</u>	<u>3,064</u>
3. Creditors (amounts falling due within one year)		
Corporation tax	<u>3,348</u>	<u>3,348</u>
4. Called up share capital	<u>Authorised</u> Number £'000	<u>Issued and fully paid</u> Number £'000
<u>As at 31 December 2003 and 31 December 2004</u>		
Ordinary "A" shares of £1 each	125,000 125,000	125,000 125,000
Ordinary "B" shares of £1 each	250,000 250,000	250,000 250,000
4.5% Cumulative preference shares of £1 each	<u>250,000 250,000</u>	<u>250,000 250,000</u>
	<u>625,000 625,000</u>	<u>625,000 625,000</u>

The 4.5% cumulative preference shares have the right to receive half yearly dividends in preference to the ordinary shareholders, but the holders of the preference shares have irrevocably waived that right. The preference shares have no rights of redemption but have priority over ordinary shares in the repayment of capital and arrears of dividends. The preference shares have no voting rights unless there are more than twelve months'arrears of preference dividends or unless there are proposed resolutions in respect of rights variations or of winding up the Company.

5. Group accounts

The Company is not required to prepare group accounts under Section 228 of the Companies Act 1985 because its ultimate parent undertaking is established under the law of a member state of the European Union and the ultimate parent undertaking prepares group accounts. Accordingly these financial statements present information about this company as an individual undertaking and not as a group.