

**WRITERS & SCHOLARS INTERNATIONAL LIMITED**  
**DIRECTORS**  
**~~TRUSTEES~~ REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31ST MARCH 1998**



**COMPANY NUMBER: 1157814**

# **WRITERS & SCHOLARS INTERNATIONAL LIMITED**

## **DIRECTORS REPORT**

**FOR THE YEAR ENDED 31ST MARCH 1998**

The directors submit their annual report and the audited accounts of the company for the year ended 31st March 1998.

### **Activities**

The principal activity of the company is that of publisher.

### **Results for the Year**

Turnover increased by £45,681 and cost of sales by £27,039 resulting in an increase in gross profit from £266,946 to £285,588. After distribution, administration and promotion costs of £284,989 (an increase of £532,452) the profit for the year was £599 compared with £35,413 for 1996/97.

### **Directors and their Interests**

The members of the Board of Directors during the year were:

Helen Alexander  
Louis Blom-Cooper QC  
Ajay Chowdhury  
Sue Woodford (Chairperson)  
Caroline Moorehead

Ursula Owen  
Lord Palumbo  
Jim Rose  
Anthony Smith

As the company is limited by guarantee there are no share interests to disclose. No distributions to members are permitted.

### **Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

### **Auditors**

A resolution to re-appoint the auditors, Sayers Butterworth, will be proposed at the Annual General Meeting.

By Order of the Board

  
G Netherton

Secretary

Date: 24/09/98

# **WRITERS & SCHOLARS INTERNATIONAL LIMITED**

## **REPORT OF THE AUDITORS**

**FOR THE YEAR ENDED 31ST MARCH 1998**

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

### **Respective Responsibilities of Directors and Auditors**

As described in the directors' report, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**SAYERS BUTTERWORTH**

**Chartered Accountants**

**And Registered Auditors**

18 Bentinck Street

London W1M 5RL

24/9/98

# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1998

	Notes	1998		1997	
		£	£	£	£
<b>Turnover</b>	1				
Fees, subscriptions and sales		283,834		238,125	
Grants and donations		283,030		283,921	
Interest received		2,233		1,370	
		<u>          </u>		<u>          </u>	
			569,097		523,416
<b>Cost of Sales</b>					
Printing design and authorship		93,429		96,877	
Employee costs	2	190,080		159,593	
		<u>          </u>		<u>          </u>	
			(283,509)		(256,470)
<b>Gross Profit</b>			285,588		266,946
Distribution costs		73,007		68,993	
Administration expenses		85,894		71,344	
Promotion		138,764		110,865	
Less administration expenses charged to Projects (includes £6,249 charged to Writers & Scholars Educational Trust)	8	<u>(12,676)</u>		<u>(19,669)</u>	
			(284,989)		(231,533)
<b>Profit on Ordinary Activities for the year</b>	3		599		35,413
Surplus/(Deficit) brought forward			395		(35,018)
<b>Surplus/(Deficit) Carried Forward</b>		£	<u>994</u>	£	<u>395</u>

There are no recognised gains or losses in the year other than the profit for the year.

# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## BALANCE SHEET

AS AT 31ST MARCH 1998

	Notes	1998		1997	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	5		32,701		9,797
<b>Current Assets</b>					
Debtors due within one year					
- Trade debtors		12,689		7,964	
- Prepayments		11,415		1,047	
- sundry debtors		60		5,508	
Cash at bank		50,166		168,430	
Writers and Scholars Educational Trust		199,772		176,581	
Project floats		-		5,700	
		<u>274,102</u>		<u>365,230</u>	
<b>Creditors: amounts falling due within one year</b>					
Trade creditors		26,418		25,940	
Accruals		7,285		20,480	
Deferred income					
- subscriptions		144,727		152,060	
- Fund for special subscriptions		10,639		10,726	
- Grants for 1998/89 expenditure		-		-	
Unexpended Grants for projects carried forward	8	4,851		49,009	
		<u>193,920</u>		<u>258,215</u>	
			80,182		107,015
<b>Total Assets Less Current Liabilities</b>			112,883		116,812
<b>Creditors: amounts falling due after more than one year</b>					
Deferred income					
- Subscriptions		11,889		14,695	
Loan: Writers & Scholars Educational Trust	7	100,000		100,000	
		<u>111,889</u>		<u>(114,695)</u>	
<b>Provisions</b>					
Capital Grants	6		-		(1,722)
<b>Net Assets/(Liabilities)</b>			£ 994		£ 395
<b>Profit and Loss Account</b>					
Surplus/(Adverse balance)			£994		£395

Approved by the Board on 20/9/98

Director

# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

### 1 Accounting Policies

#### a) *Basis of Accounting*

The accounts are prepared in accordance with applicable accounting standards and under the historical cost basis of accounting.

#### b) *Fixed Assets*

Depreciation is provided on all fixed assets at rates calculated to write off their cost evenly over their estimated life at the following rates:

Computers	– 25% p.a.
Fixtures and fittings	– 10% p.a.

#### c) *Stocks*

Stocks, where applicable, comprise raw materials and items held for re-sale. They are stated at the lower of cost and net realisable value.

#### d) *Capital Grants*

Grants for the purchase of fixed assets are held on the capital grants provision and written off to revenue at the same rate at which the assets are depreciated.

#### e) *Research*

Research and library material is written off as incurred.

#### f) *Foreign Currencies*

Assets and liabilities denominated on foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

#### g) *Turnover*

Turnover comprises subscriptions, sales, fees, grants and donations. Subscriptions including donated subscriptions are treated as deferred income until publication date.

2 Employee Costs	1998	1997
Employee costs comprise:	£	£
Salaries	168,328	137,393
Social Security costs	16,197	16,145
Other pension costs	5,555	6,055
	<u>£190,080</u>	<u>£159,593</u>
Average number of employees:	9	6
	=	=

# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## NOTES TO THE ACCOUNTS – CONTINUED

FOR THE YEAR ENDED 31ST MARCH 1998

### 3 Profit on Ordinary Activities for the Year

The profit for the year is after charging	£	£
Auditors remuneration	2,000	1,500
Directors remuneration	18,304	23,195
Depreciation	7,879	6,279
	<u>          </u>	<u>          </u>

### 4 Taxation

The company has no liability to taxation on the results for the year.

### 5 Tangible Assets

Office Equipment	Fixtures and Fixtures	Computers	Total
Cost	£	£	£
At 1st April 1997	-	36,097	36,097
Additions during the year	9,263	21,520	30,883
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March 1998	9,263	57,617	66,980
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At 1st April 1997	-	26,300	26,300
Charge for the year	762	* 7,117	7,879
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March 1998	762	33,417	34,179
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net Book Value</b>			
At 31st March 1998	£8,501	£24,200	£32,701
	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March 1997	£ -	£9,797	£9,797
	<u>          </u>	<u>          </u>	<u>          </u>

\* of the total depreciation charge, £1,722 related to the Internet Project.

# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## NOTES TO THE ACCOUNTS – CONTINUED

FOR THE YEAR ENDED 31ST MARCH 1998

<b>6 Capital Grant Provision</b>	£
Balance brought forward	1,722
Transfer to profit and loss account this year (Internet Project)	1,722
Balance at 31st March 1998	<u>£ -</u>

### 7 Loan – Writers & Scholars Educational Trust

The loan is interest free and repayable as and when it is financially feasible without prejudice to the other creditors of the company.

<b>8 Projects</b>	£	£
Unexpended balances, brought forward		49,009
Income for the year		<u>4,172</u>
		53,181
<b>Expenditure for the year –</b>		
Direct costs	5,060	
Support and administration	6,427	
Transferred to Writers and Scholars Educational Trust	<u>36,843</u>	
		<u>48,330</u>
Unexpended balances, carried forward		<u>£ 4,851</u>



# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## SCHEDULE TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

	1998	1997
	£	£
<b>Turnover</b>		
<b><i>Fees, Subscriptions and Sales</i></b>		
Lower rate subscriptions -		
Funds received and applied for lower rate subscriptions		
- Danish Foreign Ministry	8,977	-
- Fritt Ord	16,550	15,778
- EU	4,458	20,885
- NORAD	6,000	10,950
- Open Society	44,550	42,570
- Ford	19,528	19,344
- Other	2,540	9,256
	<hr/> 102,603	<hr/> 118,783
<b>Add:</b> Deferred subscriptions as at 31st March 1997	49,937	24,691
<b>Less:</b> Deferred subscriptions as at 31st March 1998	(41,851)	(49,937)
	<hr/> 110,689	<hr/> 93,537
Subscriptions (ordinary)	130,097	120,041
Fees, office and shop sales	43,048	24,547
	<hr/> 283,834	<hr/> 238,125
<b><i>Grants and Donations</i></b>		
Prince Claus Award	11,800	-
The Arts Council	538	6,456
Channel 4	-	5,000
Ford Foundation	31,917	31,917
Fritt Ord	-	32,000
Paul Hamlyn Foundation	-	10,000
Human Rights	-	4,541
Norway Government	-	24,299
Rayne Foundation	-	5,000
Reuters	-	5,000
SIDA	-	64,302
Time	-	3,333
Writers & Scholars Educational Trust	237,000	89,001
Other grants and donations	1,775	3,072
	<hr/> 283,030	<hr/> 283,921
<b>Interest Received</b>	2,233	1,370
	<hr/> £569,097	<hr/> £523,416
<b>Cost of Sales</b>		
<b><i>Printing, Design and Authorship</i></b>		
Printing	51,799	65,656
Design	4,225	4,417
Author fees	37,405	26,804
	<hr/> 93,429	<hr/> 96,877
<b><i>Employee Costs</i></b>		
Salaries, National Insurance and pension contribution	190,080	159,593
	<hr/> £283,509	<hr/> £256,470
<b>Distribution Costs</b>		
Subscription servicing	£73,007	£68,993

# WRITERS & SCHOLARS INTERNATIONAL LIMITED

## SCHEDULE TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

	1998		1997	
	£	£	£	£
<b>Administration Expenses</b>				
<i>Premises</i>				
Rent	6,800		6,630	
Rates	2,117		338	
Service charges	1,978		377	
Gas and electricity	1,533		547	
Insurance	90		636	
Cleaning	1,552		1,421	
		14,070		9,949
<i>Communications</i>				
Printing, stationery and office equipment maintenance	6,682		6,050	
Postage	5,588		5,521	
Telephone and fax	8,512		4,186	
Internet	-		-	
Transport, travel and entertainment	17,339		10,698	
		38,121		26,455
<i>Financial</i>				
Legal fees	350		2,000	
Audit and accountancy	9,128		9,375	
Bank charges and interest	3,116		3,921	
Loss on exchange	1,344		5,643	
Sundry expenses	1,375		2,534	
Computer expenses	3,777		1,940	
Computer depreciation	5,395		5,705	
Fixtures and fittings depreciation	762		-	
Staff recruitment	5,866		1,314	
Library	2,590		2,508	
		33,703		34,940
		85,894		71,344
Administration charged to Projects		12,676		(19,669)
		<u>£73,218</u>		<u>£51,675</u>

**WRITERS & SCHOLARS INTERNATIONAL LIMITED****PROJECTS**

	Internet	Cohen Conference	Total
Balance brought forward	7,180	4,986	12,166
Income	4,172	-	4,172
	<u>11,352</u>	<u>4,986</u>	<u>16,338</u>
<b>Expenditure</b>			
Direct costs	1,722	3,338	5,060
Support and administration	6,057	370	6,427
	<u>7,779</u>	<u>3,708</u>	<u>11,487</u>
Balance carried forward	<u>£3,573</u>	<u>£1,278</u>	<u>£4,851</u>