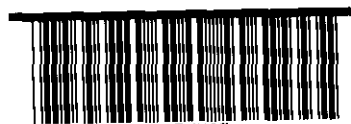


WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST MARCH 1999



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COMPANY NUMBER: 1157814

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS REPORT

FOR THE YEAR ENDED 31ST MARCH 1999

The directors submit their annual report and the audited accounts of the company for the year ended 31st March 1999.

Activities

The principal activity of the company is that of publisher.

Results for the Year

Turnover decreased by £11,463 and cost of sales increased by £1,460 resulting in a decrease in gross profit from £285,588 to £283,509. After distribution, administration and promotion costs of £272,927 (a decrease of £12,062) the loss for the year was £759 compared with a profit of £599 for 1997/98.

Directors and their Interests

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

Helen Alexander	Ursula Owen	
Louis Blom-Cooper QC	Lord Palumbo	(resigned 8th March 1999)
Ajay Chowdhury	Martin Nield	(appointed 15th May 1998)
Sue Woodford (Chairperson)	Anthony Smith	(resigned 26th February 1999)
Caroline Moorehead	Elizabeth Twining	(appointed 12th September 1998)

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

Director's 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;
- 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: 20th July 1999

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE AUDITORS

FOR THE YEAR ENDED 31ST MARCH 1999

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 1999 and of its loss 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

20th July 1999

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1999

	Notes	1999		1998	
		£	£	£	£
Turnover	1				
Fees, subscriptions and sales		285,850		283,834	
Grants and donations		269,551		283,030	
		<u> </u>	555,401	<u> </u>	566,864
Cost of Sales					
Printing, design and authorship		96,557		93,429	
Employee costs	2	188,412		190,080	
		<u> </u>	(284,969)	<u> </u>	(283,509)
Gross Profit			270,432		283,355
Distribution costs		76,215		73,007	
Administration expenses		75,776		85,894	
Promotion		120,936		138,764	
Less administration expenses charged to Projects		-		(12,676)	
		<u> </u>	(272,927)	<u> </u>	(284,989)
Operating Loss	3		(2,495)		(1,634)
Interest receivable			1,736		2,233
			<u> </u>		<u> </u>
(Loss)/Profit for Financial Year			(759)		599
Retained Profit Brought Forward			994		395
			<u> </u>		<u> </u>
Retained Profit Carried Forward			£ 235		£ 994
			<u> </u>		<u> </u>

There are no recognised gains or losses in the year other than those included in the profit and loss account.

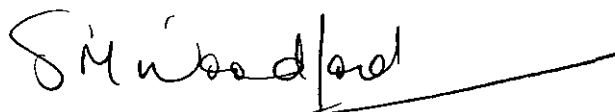
WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31ST MARCH 1999

	Notes	1999		1998	
		£	£	£	£
Fixed Assets					
Tangible assets	5		26,816		32,701
Current Assets					
Debtors due within one year					
- Trade debtors		68,959		12,689	
- Prepayments		8,312		11,415	
- Sundry debtors		11,254		60	
Cash at bank and in hand		101,218		50,166	
Writers and Scholars Educational Trust		178,606		199,772	
		<u>368,349</u>		<u>274,102</u>	
Creditors: amounts falling due within one year					
Trade creditors		49,512		26,418	
Accruals		9,308		7,285	
Deferred income					
- Subscriptions		115,448		144,727	
- Fund for special subscriptions		101,974		10,639	
Unexpended Grants for projects carried forward	6	3,730		4,851	
		<u>279,972</u>		<u>193,920</u>	
			88,377		80,182
Total Assets Less Current Liabilities			115,193		112,883
Creditors: amounts falling due after more than one year					
Deferred income					
- Subscriptions		14,958		11,889	
Loan: Writers & Scholars Educational Trust	7	100,000		100,000	
		<u>114,958</u>		<u>111,889</u>	
Net (Liabilities)/Assets			£ 235		£ 994
Profit and Loss Account					
Surplus			£235		£994

Approved by the Board on 20 July 1999



SUE WOODFORD
 Director

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

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	- 20-33% p.a.
Fixtures and fittings	- 10% p.a.

c) *Stocks*

Stocks, where applicable, comprise raw materials and items held for re-sale. No value is assigned to these items and the amounts concerned are immaterial.

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

	1999	1998
Employee costs comprise:	£	£
Salaries	168,409	168,328
Social Security costs	15,909	16,197
Other pension costs	4,094	5,555
	<u>£188,412</u>	<u>£190,080</u>
 Average number of employees:	 11	 9
	<u>==</u>	<u>==</u>

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS – CONTINUED

FOR THE YEAR ENDED 31ST MARCH 1999

3	Profit on Ordinary Activities for the Year	1999	1998	
	The profit for the year is after charging	£	£	
	Auditors remuneration	2,000	2,000	
	Directors remuneration	18,909	18,304	
	Depreciation	11,529	7,879	
		<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 1998	9,263	57,617	66,880
	Additions during the year	276	5,368	5,644
		<u> </u>	<u> </u>	<u> </u>
	At 31st March 1999	9,539	62,985	72,524
		<u> </u>	<u> </u>	<u> </u>
	Depreciation			
	At 1st April 1998	762	33,417	34,179
	Charge for the year	945	10,584	11,529
		<u> </u>	<u> </u>	<u> </u>
	At 31st March 1999	1,707	44,001	45,708
		<u> </u>	<u> </u>	<u> </u>
	Net Book Value			
	At 31st March 1999	£7,832	£18,984	£26,816
		<u> </u>	<u> </u>	<u> </u>
	At 31st March 1998	£8,501	£24,200	£32,701
		<u> </u>	<u> </u>	<u> </u>
6	Projects	£	£	
	Unexpended balances, brought forward			4,851
	Income for the year			-
				<u> </u>
	Expenditure for the year –			
	Direct costs		488	
	Support and administration		633	
			<u> </u>	
				1,121
				<u> </u>
	Unexpended balances, carried forward			£3,730
				<u> </u>

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS – CONTINUED

FOR THE YEAR ENDED 31ST MARCH 1999

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.

8 Related Parties

Control

The company is controlled by The Writers and Scholars Educational Trust.

Transactions

Six of the eight directors of Writers and Scholars International Limited are also Trustees of The Writers and Scholars Educational Trust. During the year Writers and Scholars International received grants totalling £49,400 (1998: £237,000) from Writers and Scholars Educational Trust in the normal course of business. At the balance sheet date the amount due from Writers and Scholars Educational Trust was £178,606 (1998: £199,772).

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

SCHEDULE TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

	1999		1998	
	£	£	£	£
Turnover				
<i>Fees, Subscriptions and Sales</i>				
Lower rate subscriptions –				
Funds received and applied for lower rate subscriptions				
- Danish Foreign Ministry	-		8,977	
- Fritt Ord	16,550		16,550	
- EU	21,492		4,458	
- NORAD	8,750		6,000	
- Open Society	58,050		44,550	
- Ford	50,000		19,528	
- Other	49		2,540	
		154,891		102,603
Add: Deferred subscriptions as at 31st March 1998		41,851		49,937
Less: Deferred subscriptions as at 31st March 1999		(69,326)		(41,851)
		127,416		110,689
Subscriptions (ordinary)		137,307		130,097
Fees, office and shop sales		21,127		43,048
		285,850		283,834
<i>Grants and Donations</i>				
Prince Claus Award	-		11,800	
The Arts Council	-		538	
Ford Foundation	-		31,917	
Writers and Scholars Educational Trust	49,400		237,000	
SIDA	80,231		-	
Neda Min Buit Laken	4,144		-	
Inst Fritt Ord	40,000		-	
Norwegian Ministry of Human Rights	23,342		-	
Danish Foreign Ministry	9,586		-	
European Roma Rights	16,300		-	
UNESCO	2,745		-	
NORSK Forum	31,498		-	
Danish Centre for Human Rights	10,000		-	
Portuguese Foreign Ministry	1,608		-	
Other grants and donations	697		1,775	
		269,551		283,030
Interest Received		1,736		2,233
		£557,137		£569,097
<i>Cost of Sales</i>				
<i>Printing, Design and Authorship</i>				
Printing	58,194		51,799	
Design	4,052		4,225	
Author fees	34,311		37,405	
		96,557		93,429
<i>Employee Costs</i>				
Salaries, National Insurance and pension contribution		188,412		190,080
		£284,969		£283,509
<i>Distribution Costs</i>				
Subscription servicing		£76,215		£73,007

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

SCHEDULE TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

	1999		1998	
	£	£	£	£
Administration Expenses				
<i>Premises</i>				
Rent	7,367		6,800	
Rates	1,746		2,117	
Service charges	2,221		1,978	
Gas and electricity	1,267		1,533	
Insurance	283		90	
Cleaning	1,505		1,552	
		14,389		14,070
<i>Communications</i>				
Printing, stationery and office equipment maintenance	4,697		6,682	
Postage	3,777		5,588	
Telephone and fax	11,033		8,512	
Transport, travel and entertainment	12,223		17,339	
		31,730		38,121
<i>Financial</i>				
Legal fees	575		350	
Audit and accountancy	8,700		9,128	
Bank charges and interest	3,585		3,116	
Loss on exchange	459		1,344	
Sundry expenses	1,281		1,375	
Computer expenses	1,281		3,777	
Computer depreciation	10,584		5,395	
Fixtures and fittings depreciation	945		762	
Staff recruitment	1,706		5,866	
Library	1,249		2,590	
		30,365		33,703
		76,484		85,894
Administration charged to Projects		708		12,676
		75,776		73,218
<i>Promotions</i>		120,936		138,764
		£ (759)		£ 599

WRITERS & SCHOLARS INTERNATIONAL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

PROJECTS

	Internet	Cohen Conference	Total
Balance brought forward	3,573	1,278	4,851
Income	-	-	-
	<u>3,573</u>	<u>1,278</u>	<u>4,851</u>
Expenditure			
Direct costs	488	-	488
Support and administration	633	-	633
	<u>1,121</u>	<u>-</u>	<u>1,121</u>
Balance carried forward	<u>£2,452</u>	<u>£1,278</u>	<u>£3,730</u>