

COMPANY REGISTRATION NUMBER : 1173530

A. & C. BLACK (STORAGE) LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2000

HLB Kidsons
Chartered Accountants
Spectrum House
20-26 Cursitor Street
London EC4A 1HY



A. & C. BLACK (STORAGE) LIMITED

DIRECTORS' REPORT

31 December 2000

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 December 2000.

Review of the year

The Company continued to provide storage facilities to fellow subsidiary undertakings.

The results for the year are set out on page 4.

Dividend

The Company paid no dividend during the year (1999 £Nil).

Future developments

No change in the Company's activities is anticipated in the foreseeable future.

Fixed assets

All changes in fixed assets are shown in note 6 on page 7.

Directors and their interests

The directors of the Company at the date of this report are:-

C.A.A. Black
T.E. Rouelett
Ms. D.J. Coleman

Messrs. C.A.A. Black and T.E. Rouelett served throughout the year. Ms. D.J. Coleman was appointed on 1 January 2001.

None of the directors had any interest in the share capital of the company at any time during the year. Mr C.A.A. Black and Ms D.J. Coleman were directors of the ultimate parent company at 31 December 2000 and their interests in its share capital are shown in the Annual Report accompanying the group accounts.

Statement of directors' responsibilities

We are required under company law 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 these financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, and give details of any departures;
- prepare the financial statements on a going concern basis unless in our view the Company will be unable to continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the Company's assets;
- taking reasonable steps for the prevention and detection of fraud.

A. & C. BLACK (STORAGE) LIMITED

DIRECTORS' REPORT

31 December 2000
(continued)

Auditors

HLB Kidsons have agreed to offer themselves for re-election as auditors of the Company.

On behalf of the board



Jenny Aspinall

Secretary

Alderman House
37 Soho Square
London W1D 3QZ

26 March 2001

A. & C. BLACK (STORAGE) LIMITED

AUDITORS' REPORT

Auditors' report to the members of A. & C. Black (Storage) Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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 misstatement, 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 at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

HLB Kidsons

HLB Kidsons

Registered Auditors

Chartered Accountants

London

26 March 2001

A. & C. BLACK (STORAGE) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2000

	Note	2000 £	1999 £
Turnover		150,250	150,250
Administrative expenses		<u>(94,921)</u>	<u>(94,790)</u>
Operating profit	2	55,329	55,460
Interest receivable		5	-
Interest payable	4	<u>-</u>	<u>(14,014)</u>
Profit on ordinary activities before taxation		55,334	41,446
Taxation	5	<u>(9,895)</u>	<u>(5,695)</u>
Retained profit for the financial year		45,439	35,751
Balance brought forward		<u>290,451</u>	<u>254,700</u>
Balance carried forward		<u>335,890</u>	<u>290,451</u>

Continuing operations

None of the Company's operations were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The Company had no recognised gains or losses for the two years ended 31 December 2000 apart from the results shown above.

A. & C. BLACK (STORAGE) LIMITED

BALANCE SHEET

31 December 2000

	Note	2000	1999
		£	£
Fixed assets			
Tangible assets	6	332,132	342,880
Current assets			
Debtors	7	98,115	42,906
Creditors: amounts falling due within one year	8	(15,257)	(13,235)
Net current assets		<u>82,858</u>	<u>29,671</u>
Total assets less current liabilities		414,990	372,551
Provision for liabilities and charges			
Deferred taxation	9	(79,000)	(82,000)
		<u>(79,000)</u>	<u>(82,000)</u>
Net assets		<u>335,990</u>	<u>290,551</u>
Capital and reserves			
Share capital	10	100	100
Profit and loss account		<u>335,890</u>	<u>290,451</u>
Equity shareholders' funds	11	<u>335,990</u>	<u>290,551</u>

The financial statements on pages 4 to 8 were approved by the board of directors on 26 March 2001

Ms. D. J. Coleman

Director



A. & C. BLACK (STORAGE) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. The Company is a wholly owned subsidiary undertaking and as such has utilised the exemptions provided by Financial Reporting Standard No. 1 and has not prepared a cash flow statement. The cash flows of the Company are included in the consolidated cash flow statement of its ultimate parent company, Bloomsbury Publishing Plc.

Depreciation and amortisation

Fixed assets are depreciated at the following rates on a straight-line basis:

Freehold land	Nil
Freehold building	2% p.a.
Plant	10% p.a.

The above rates are estimated to write off the cost of fixed assets, less any residual value, over their useful lives. A full charge is made in the year of acquisition and no charge in the year of disposal.

Deferred taxation

Deferred taxation is provided in respect of the taxation effect of all timing differences to the extent that the liabilities are likely to crystallise in the foreseeable future.

2	Operating profit	2000	1998
		£	£
	This is stated after charging:		
	Depreciation and amortisation	10,748	10,777
	Auditors' remuneration	<u>1,400</u>	<u>1,400</u>
	and crediting:		
	Rents receivable (group)	<u>15,250</u>	<u>15,250</u>
3	Directors' emoluments		
	No directors' emoluments were payable for the year (1999 - £Nil).		
4	Interest payable	£	£
	On debenture loan	-	4,593
	On early redemption of debenture loan	<u>-</u>	<u>9,421</u>
			<u>14,014</u>
5	Taxation	£	£
	The taxation charge which is based on the profit for the year on ordinary activities is made up as follows:		
	UK corporation tax at 20% (1999 - 20.25%)	13,500	10,400
	Adjustment in respect of prior years	(605)	(705)
	Deferred taxation	<u>(3,000)</u>	<u>(4,000)</u>
		<u>9,895</u>	<u>5,695</u>

A. & C. BLACK (STORAGE) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000
(continued)

6	Tangible fixed assets	Freehold Land and Buildings	Plant	Total
		£	£	£
	Cost			
	At 1 January and 31 December 2000	<u>558,657</u>	<u>115,951</u>	<u>674,608</u>
	Depreciation and amortisation			
	At 1 January 2000	217,303	114,425	331,728
	Charge for year	<u>10,047</u>	<u>701</u>	<u>10,748</u>
	At 31 December 2000	<u>227,350</u>	<u>115,126</u>	<u>342,476</u>
	Net book amount			
	At 31 December 2000	<u>331,307</u>	<u>825</u>	<u>332,132</u>
7	Debtors		2000	1999
			£	£
	Amounts falling due within one year			
	Ultimate parent company		-	30,530
	Immediate parent company		85,620	-
	Prepayments		<u>12,495</u>	<u>12,376</u>
			<u>98,115</u>	<u>42,906</u>
8	Creditors			
	Amounts falling due within one year			
	Corporation tax		13,500	10,921
	Accruals		<u>1,757</u>	<u>2,314</u>
			<u>15,257</u>	<u>13,235</u>

A. & C. BLACK (STORAGE) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

9	Deferred taxation	2000	1999
		£	£
	Potential liability		
	Taxation deferred by capital allowances	<u>79,000</u>	<u>82,000</u>
	Amount provided	<u>79,000</u>	<u>82,000</u>
	The potential liability and provision are based on a corporation tax rate of 30% (1999 30%).		
10	Share capital		2000 and 1999
			£
	Authorised		
	1,000,000 Ordinary shares of £1 each		<u>1,000,000</u>
	Allotted, called up and fully paid		
	100 Ordinary shares of £1 each		<u>100</u>
11	Reconciliation of movement in equity shareholders' funds	2000	1999
		£	£
	1 January 2000	290,551	254,800
	Profit for the year	<u>45,439</u>	<u>35,751</u>
	31 December 2000	<u>335,990</u>	<u>290,551</u>
12	Ultimate parent company		
	The ultimate parent company is Bloomsbury Publishing Plc, a company incorporated in Great Britain and registered in England and Wales.		
13	Guarantee		
	The company is party to a cross guarantee in respect of the bank borrowings of certain group undertakings.		
14	Related parties		
	The company has taken advantage of the exemption offered by Financial Reporting Standard No. 8 to disclose intra-group transactions in the financial statements of a subsidiary where 90% of the voting rights are controlled within the group.		