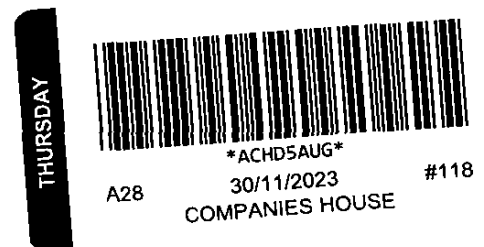


I.B. Tauris & Co. Limited
DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS

Year ended
28 February 2023



Company Registration No. 01761687

I.B. Tauris & Co. Limited

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2023

The directors present their report and the financial statements for the year ended 28 February 2023.

PRINCIPAL ACTIVITY

The Company continued to trade during the year as an academic publisher.

PRINCIPAL RISKS AND CONTROLS

A full review of the Bloomsbury Publishing Plc Group's ("Group") Risk Register setting out the risks facing the business and the controls in place for all companies within the Group was conducted by the Group Audit Committee during 2023. Details of this review can be found in the Annual Report of the Group which can be obtained from www.bloomsbury-ir.co.uk or from the Company Secretary at the address in note 15.

RESULTS AND DIVIDEND

The Company's profit after tax for the year was £540,132 (year ended 28 February 2022: profit after tax of £246,451). No dividend is recommended (2022: £nil).

DIRECTORS

The directors who held office during the year and to the date of this report were:

N Newton

P Scott-Bayfield

Directors are granted an indemnity from the Company to the extent permitted by law in respect of liabilities incurred as a result of their office.

AUDIT EXEMPTION

For the year ended 28 February 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members of the Company have not required the Company to obtain an audit of its accounts for the year ended 28 February 2023 in accordance with section 476.

On behalf of the board



M Abu-Deeb

Company Secretary

27 November 2023

REGISTERED OFFICE

50 Bedford Square

London

WC1B 3DP

I.B. Tauris & Co. Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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, 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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

I.B. Tauris & Co. Limited
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 28 February 2023

| | <i>Note</i> | Year ended 28 February 2023 £ | Year ended 28 February 2022 £ |
|---|-------------|--|--|
| TURNOVER | 2 | 3,329,440 | 3,080,432 |
| Cost of sales | | (993,759) | (1,254,708) |
| GROSS PROFIT | | <u>2,335,681</u> | <u>1,825,724</u> |
| Marketing and distribution costs | | (270,627) | (268,134) |
| Administrative expenses | | (1,392,860) | (1,137,682) |
| OPERATING PROFIT | 2 | <u>672,194</u> | <u>419,908</u> |
| PROFIT BEFORE TAXATION | | <u>672,194</u> | <u>419,908</u> |
| Taxation | 4 | (132,062) | (173,457) |
| PROFIT FOR THE YEAR | | <u>540,132</u> | <u>246,451</u> |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>540,132</u> | <u>246,451</u> |

The above statement of comprehensive income represents activities from the Company's continuing operations.

The notes on pages 6 to 14 form part of these financial statements.

I.B. Tauris & Co. Limited

BALANCE SHEET

As at 28 February 2023

Company Registration No. 01761687

| | <i>Note</i> | 28 February 2023 £ | 28 February 2022 £ |
|--|-------------|--------------------------|--------------------------|
| FIXED ASSETS | | | |
| Intangible fixed assets | 5 | 118,729 | 246,696 |
| Investments | 6 | 1 | 1 |
| | | <u>118,730</u> | <u>246,697</u> |
| CURRENT ASSETS | | | |
| Stocks | 7 | 322,062 | 321,600 |
| Debtors | 8 | 2,447,006 | 1,983,362 |
| | | <u>2,769,068</u> | <u>2,304,962</u> |
| CREDITORS: amounts due within one year | 10 | (2,084,404) | (2,288,397) |
| NET CURRENT ASSETS | | <u>684,664</u> | <u>16,565</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>803,394</u> | <u>263,262</u> |
| NET ASSETS | | <u>803,394</u> | <u>263,262</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 1,091,699 | 1,091,699 |
| Share premium account | 12 | 155,353 | 155,353 |
| Profit and loss account | 12 | (443,658) | (983,790) |
| TOTAL EQUITY | | <u>803,394</u> | <u>263,262</u> |

The notes on pages 6 to 14 form part of these financial statements.

For the year ending 28 February 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

The financial statements on pages 3 to 14 were approved and authorised for issue by the board of directors on 27 November 2023 and are signed on its behalf by:

P. Scott-Bayfield

P Scott-Bayfield
Director

I.B. Tauris & Co. Limited
STATEMENT OF CHANGES IN EQUITY
As at 28 February 2023

| | Called up share capital | Share premium account | Profit and loss account | Total |
|---|-------------------------------|-----------------------------|----------------------------|----------------|
| | £ | £ | £ | £ |
| Balance at 28 February 2021 | 1,091,699 | 155,353 | (1,230,241) | 16,811 |
| Profit for the year | - | - | 246,451 | 246,451 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the year | - | - | 246,451 | 246,451 |
| Capital contribution from ultimate parent company | - | - | 46,073 | 46,073 |
| Recharge of share based payment charge from the ultimate parent company | - | - | (46,073) | (46,073) |
| Balance at 28 February 2022 | 1,091,699 | 155,353 | (983,790) | 263,262 |
| Profit for the year | - | - | 540,132 | 540,132 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the year | - | - | 540,132 | 540,132 |
| Capital contribution from ultimate parent company | - | - | 32,714 | 32,714 |
| Recharge of share based payment charge from the ultimate parent company | - | - | (32,714) | (32,714) |
| Balance at 28 February 2023 | 1,091,699 | 155,353 | (443,658) | 803,394 |

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 28 February 2023

1 ACCOUNTING POLICIES

(a) *Basis of accounting*

I.B. Tauris & Co. Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK. The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom and under the historical cost convention. The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about the Group.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is sterling. The registered address of the Company is 50 Bedford Square, London, WC1B 3DP.

The Company’s ultimate parent undertaking, Bloomsbury Publishing Plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Bloomsbury Plc have been prepared and approved by the directors in accordance with UK-adopted international accounting standards (“UK-adopted IFRS”) and the requirements of the Companies Act 2006. These financial statements are available to the public and may be obtained from the Company Secretary, Bloomsbury Publishing Plc, 50 Bedford Square, London WC1B 3DP. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Comparative period reconciliations for shares capital;
- Cash flow statement and related notes; and
- Disclosures in respect of key management personnel.

As the consolidated financial statements of Bloomsbury Publishing Plc include the equivalent disclosures, the Company has also taken the exemption under FRS 102 available in respect of the following disclosures:

- IFRS 2 share based payments in respect of instruments of the ultimate parent company; and
- Certain disclosures required by IFRS 7 Financial Instruments.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

(b) *Going Concern*

The Company participates in the ultimate parent, Bloomsbury Publishing Plc’s, centralised treasury arrangement and so shares banking arrangements with the parent and fellow subsidiaries. The Bloomsbury Group meets its day to day working capital requirements through cash surpluses and a three year revolving credit facility of £10m.

The directors, having assessed the responses of the directors of the ultimate parent Bloomsbury Publishing Plc to their enquiries, have no reason to believe a material uncertainty exists that may cast significant doubt over the Group’s ability to continue as a going concern. The factors taken into account in developing this expectation include the level of cash within the business, the Group’s bank facilities, continuing sources of turnover and continuing support from the ultimate parent.

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of Bloomsbury Publishing Plc, the Company's directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) *Turnover*

Turnover represents the fair value of consideration received from the provision of goods, services and rights falling within the Company's ordinary activities, after deduction of trade discounts, value added tax and anticipated returns.

- Turnover from book publishing is recognised when title passes to the customer. A provision for anticipated returns is made based primarily on historical return rates. If these do not reflect actual returns in future periods then revenues could be understated or overstated for a particular period.
- Turnover from the sale of publishing and distribution rights, including film, paperback, electronic, overseas publishing rights, and sponsorship, is recognised when the Company has discharged its obligations under the arrangement to deliver the associated material, and the Company has received appropriately enacted contractual documentation.
- Turnover for digital subscriptions are recognised on a straight-line basis based over the period of subscription. The exception is digital platform sales with perpetual access. This is currently recognised immediately once the customer has been given access to the live platform.
- Turnover from e-book sales is recognised when content is delivered.

(d) *Intangible assets*

Product development assets are measured at cost less accumulated amortisation and accumulated impairment losses. Publishing relationships assets acquired as part of an acquisition are stated at their fair value at acquisition less accumulated amortisation and any amounts recognised in respect of impairment.

Intangible assets are amortised on a straight-line basis over the expected useful life. The annual rates used for this purpose are:

Product development - 20 - 33% straight line basis

(e) *Tangible assets*

Tangible assets are stated at cost less accumulated depreciation and any accumulated impairment loss.

Tangible assets are depreciated in order to write down their cost less residual value using the straight-line method over their expected useful lives at the following rates:

Office and Computer equipment 20% straight line basis

(f) *Investments*

Investments in subsidiaries are stated at cost less any amounts recognised in respect of impairment.

(g) *Stocks*

The cost of work in progress and finished goods represents the amounts invoiced to the Company for origination, paper, printing and binding. Inventories are valued at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value represents the estimated selling price for less all estimated costs of completion and costs necessary to make the sale. Provisions are made for slow-moving and obsolete stock.

(h) *Taxation*

The tax expense represents the sum of the tax currently payable and deferred tax.

i) *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be generated to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

iii) Current and deferred tax for the year

Current and deferred tax is charged or credited in the statement of financial position, except when it relates to items credited or charged directly to other comprehensive income or equity.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(i) Foreign currencies

Transactions in currencies other than the functional currency are recorded in the functional currency at the rates of exchange prevailing on the dates of the transactions. Assets and liabilities in foreign currencies are translated into sterling at closing rates of exchange at the balance sheet date.

Exchange differences are charged or credited to the statement of comprehensive income within administrative expenses.

(j) Trade receivables

Trade receivables and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment.

(k) Trade payables

Trade payables are not interest bearing and are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

(l) *Financial instruments*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting for all of its financial liabilities.

Dividends and distributions relating to equity instruments are debited direct to equity.

(m) *Critical accounting estimates and judgements*

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. The resultant estimates will, by definition, not necessarily equal the related actual results and may require adjustment in subsequent accounting periods. The estimates and judgements that may cause a material adjustment to the carrying amount of assets and liabilities in the next financial year are:

Revenue recognition

This is a judgment because management is required to decide whether the revenue recognition criteria has been met for a contract. Certain contracts entered into by the Company may include: the licensing or outright sale of the Company's intellectual property; the provision of ongoing consultancy services; or a bundled combination of both.

The Company considers contractual terms and makes judgements in assessing when the triggers for revenue recognition have been met, particularly that the Company has sufficiently fulfilled its obligations under the contract to allow revenue to be recognised and the allocation of revenue between multiple deliverables.

Book returns

Printed books are normally sold on a sale-or-return basis. The timing of returns of unsold books is uncertain. A provision is made against sales for the expected future returns of books that have not occurred by the end of an accounting period.

This is an estimate as it requires management to estimate the level of expected future returns. As books are returnable by customers, the Company makes a provision against books sold in the accounting period which is then carried forward and offset against trade receivables in the statement of financial position in anticipation of book returns received subsequent to the reporting period end. The provision is calculated by reference to historical returns rates and expected future returns. If these estimates do not reflect actual returns in future periods then revenues could be understated or overstated for a particular period.

Author advances

Prepayments and accrued income include royalty advances (i.e. net unearned advances to authors). A provision is made against gross advances (paid and payable) to the extent that they are not expected to be fully earned from anticipated future sales of a title and subsidiary rights receivable.

This is an estimate as it requires management to estimate the future sales of a title. The Directors review all royalty advances for triggers indicating that a provision may be required and additionally at the end of each financial year a review is carried out on advances for all published titles where the initial publication date is 12 months or earlier from the year end date to assess if a provision is required.

If it is unlikely that royalties from future title sales and subsidiary rights will fully earn down the advance, a provision is made in the income statement on a title-by-title basis, with regard to historical net sales, expected future net sales and taking account of the lifecycle of a book, for the difference between the carrying value and the anticipated recoverable amount from future earnings.

Stocks

This is an estimate as it requires management to estimate the net realisable value for inventory. At the end of each reporting period a review is carried out on all published titles where inventory is held. A provision is made by the Company against unsold inventory on a title by title basis, with regard to

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

historical net sales and expected future net sales, to value the inventories at the lower of cost and net realisable value.

(n) *Impairment of non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(o) *New standards, amendments and IFRIC interpretations*

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 28 February 2023, have had a material impact on the company.

2 TURNOVER AND OPERATING PROFIT

| | Year ended 28 February 2023 £ | Year ended 28 February 2022 £ |
|--|--|--|
| Turnover by destination: | | |
| United Kingdom | 1,395,276 | 1,202,042 |
| North America | 1,101,446 | 1,127,599 |
| Europe | 367,656 | 394,098 |
| Australasia | 111,337 | 27,253 |
| Middle East and Asia | 192,110 | 162,804 |
| Rest of World | 161,615 | 166,636 |
| | <u>3,329,440</u> | <u>3,080,432</u> |
| Operating profit is stated after charging: | | |
| Amortisation of intangible fixed assets (note 5) | 193,768 | 222,116 |
| Loss on disposal of intangible fixed assets | 26 | - |
| Staff costs (note 3) | 436,188 | 432,336 |
| | <u>--</u> | <u>--</u> |

3 STAFF COSTS AND DIRECTORS' EMOLUMENTS

Staff costs of £436,188 were recharged in the year from Bloomsbury Publishing Plc (2022: £432,336).

All employees are employed by Bloomsbury Publishing Plc, the ultimate parent company. Employees provide services on a group basis and all employee costs are incurred by Bloomsbury Publishing Plc. A recharge of staff costs, including directors' emoluments, is made to the Company in respect of services provided to the Company.

The directors waive all entitlements to remuneration and receives no remuneration in respect of their appointment as director of the Company.

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

4 TAXATION

| | Year ended 28 February 2023 £ | Year ended 28 February 2022 £ |
|---|--|--|
| (a) Analysis of tax charge for the year | | |
| UK corporation tax | | |
| Current year charge | 133,745 | 87,446 |
| Adjustments in respect of prior years | (15,696) | 75,051 |
| | <u>118,049</u> | <u>162,497</u> |
| Deferred taxation (note 9) | | |
| Current year charge / (credit) | 14,013 | (21,123) |
| Adjustments in respect of prior years | - | 32,193 |
| | <u>14,013</u> | <u>10,960</u> |
| Tax on profit | <u>132,062</u> | <u>173,457</u> |

(b) Factors affecting the tax charge for the year

The tax charge for the year is higher than (2022: higher than) the standard rate of corporation tax in the United Kingdom of 19.00% (2022: 19.00%). The differences are explained below:

| | Year ended 28 February 2023 £ | Year ended 28 February 2022 £ |
|---|--|--|
| Profit on ordinary activities before taxation | 672,194 | 419,908 |
| Profit multiplied by the standard rate of UK corporation tax of 19.00% (2022: 19.00%) | <u>127,717</u> | <u>79,783</u> |
| Effects of: | | |
| Expenses not deductible for tax purposes | 6,266 | 8,787 |
| Movement in unrecognised temporary differences | 14,802 | (16,991) |
| Movement in deferred tax rate | (1,027) | (5,366) |
| Adjustment in respect of prior years | (15,696) | 107,244 |
| Total tax charge for the year | <u>132,062</u> | <u>173,457</u> |

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

| | | |
|---|-------------------------|--------------------------|
| 5 | INTANGIBLE FIXED ASSETS | Product development £ |
| | Cost | |
| | At 1 March 2022 | 617,434 |
| | Additions | 65,828 |
| | Disposals | (10,346) |
| | At 28 February 2023 | 672,916 |
| | Amortisation | |
| | At 1 March 2022 | 370,739 |
| | Charge for the year | 193,768 |
| | Disposals | (10,320) |
| | At 28 February 2023 | 554,187 |
| | Net book value | |
| | At 28 February 2023 | 118,729 |
| | At 28 February 2022 | 246,695 |

Amortisation is included in cost of sales in the Income Statement.

| | | |
|---|-----------------------------------|---|
| 6 | INVESTMENTS | £ |
| | Shares in subsidiary undertakings | |
| | Cost | |
| | At 1 March 2022 | 1 |
| | At 28 February 2023 | 1 |
| | Provision for impairment | |
| | At 1 March 2022 | - |
| | Impairment | - |
| | At 28 February 2023 | - |
| | Net book value | |
| | 28 February 2023 | 1 |
| | 28 February 2022 | 1 |

| | Country of incorporation and operation | Proportion of equity capital held | Nature of business during the year |
|---|--|---|--|
| <i>Subsidiary undertakings held directly:</i> | | | |
| Phillip Wilson Publishers Limited | England | 100% | Non-trading |

The registered office of the above subsidiary is 50 Bedford Square, London, WC1B 3DP.

I.B. Tauris & Co. Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 28 February 2023

| | | | |
|---|----------------|--------------------------|--------------------------|
| 7 | STOCKS | 28 February 2023 £ | 28 February 2022 £ |
| | Finished goods | 322,062 | 321,600 |
| | | <u>322,062</u> | <u>321,600</u> |
| | | — | — |

| | | | |
|---|----------------------------------|--------------------------|--------------------------|
| 8 | DEBTORS | 28 February 2023 £ | 28 February 2022 £ |
| | Amounts due from group companies | 2,312,377 | 1,846,193 |
| | Other debtors | 107,994 | 96,521 |
| | Deferred taxation (note 9) | 26,635 | 40,648 |
| | | <u>2,447,006</u> | <u>1,983,362</u> |
| | | — | — |

9 DEFERRED TAX

The deferred tax asset comprises the following:

| | Tax losses carried forward £ | Fixed asset timing differences £ | Total £ |
|-------------------------|------------------------------------|---|---------------|
| At 1 March 2022 | 22,357 | 18,291 | 40,648 |
| Profit and loss account | - | (14,013) | (14,013) |
| At 28 February 2023 | <u>22,357</u> | <u>4,278</u> | <u>26,635</u> |
| | — | — | — |

The deferred tax asset is predominantly included in the financial statements at a tax rate of 25%.

| | | | |
|----|---|--------------------------|--------------------------|
| 10 | CREDITORS | 28 February 2023 £ | 28 February 2022 £ |
| | <i>Amounts falling due within one year:</i> | | |
| | Trade creditors | 925,647 | 935,439 |
| | Accruals and deferred income | 449,684 | 539,795 |
| | Other creditors | 264,658 | 205,806 |
| | Amounts owed to Group undertakings | 21,648 | 21,648 |
| | Corporation tax payable | 135,322 | 89,022 |
| | Sales returns liability | 287,445 | 496,687 |
| | | <u>2,084,404</u> | <u>2,288,397</u> |
| | | — | — |

Amounts due to Group undertakings are unsecured, interest free and repayable on demand.

I.B. Tauris & Co. Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2023

| | | | |
|----|------------------------------------|--------------------------|--------------------------|
| 11 | CALLED UP SHARE CAPITAL | 28 February 2023 £ | 28 February 2022 £ |
| | Allotted, called up and fully paid | | |
| | 799,832 Ordinary shares of £1 each | 799,832 | 799,832 |
| | 291,867 Ordinary shares of £1 each | 291,867 | 291,867 |
| | | <u>1,091,699</u> | <u>1,091,699</u> |

12 RESERVES

Share premium account

This reserve records the amount above nominal value received for shares sold less transaction costs.

Profit and loss account

The profit and loss account comprises profit for the year and other items recognised directly through equity as presented on the statement of changes in equity.

13 SHARE BASED PAYMENTS

Share options in the ultimate parent company, Bloomsbury Publishing Plc, are awarded to employees of the Group in relation to their services to the Group's companies. The expense of all share options awarded is incurred by Bloomsbury Publishing Plc, and a recharge to the Company is made in respect of the value of services provided in each period to the Company.

14 COMMITMENTS AND CONTINGENT LIABILITIES

The Company, along with other group subsidiaries, has guarantees in place relating to the Group's borrowing facilities with Lloyds Bank Plc. At 28 February 2023, the Group had no draw down (2022: £nil) of this facility with £10.0 million of undrawn borrowing facilities (2022: £10.0 million) available.

The facility comprises a committed revolving loan facility of £10 million and an uncommitted incremental term loan facility of up to £6 million. The facilities are subject to two covenants, being a maximum net debt to EBITDA ratio of 2.5x and a minimum interest cover covenant of 4x. The agreement is to October 2024.

15 ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is Bloomsbury Publishing Plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the consolidated financial statements of Bloomsbury Publishing Plc may be obtained from the Company Secretary, Bloomsbury Publishing Plc, 50 Bedford Square, London WC1B 3DP.