

**ASHGATE PUBLISHING LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

WEDNESDAY



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# ASHGATE PUBLISHING LIMITED

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# **ASHGATE PUBLISHING LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2009**

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The directors present their report and financial statements for the year ended 30 June 2009

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of publishing

The company has increased its gross profit margins and has had another profitable year. The turnover has increased and same trend is expected in next financial year.

Ashgate Publishing Limited's principal financial instruments comprise bank balances, bank overdrafts, investments, trade debtors and trade creditors. The main purpose of these instruments is to raise funds for the company's operations and to finance them.

Due to the nature of financial instruments used by the company there is no exposure to price risk other than with some of the investments it holds. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. A third party distributor is used to manage a large proportion of the company's sales.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Ashgate Publishing Limited has an overseas subsidiary in the USA and has a number of overseas customers. It is therefore, subject to currency risk because of the movements in foreign exchange rates. It also holds investments in currencies other than sterling and therefore these investments are also at risk from exchange rate movements. This is managed by reviewing the exchange rate movements when investments are transferred into sterling and maintaining a balanced portfolio of investments. A large exchange gain has arisen in the year.

The directors consider the year end position to be satisfactory.

The nature of the business makes the Gross Profit percentage a key performance indicator. In the year ended 30 June 2009 it was 76.04% and in the previous year 75.92%.

#### **Results and dividends**

The results for the year are set out on page 5.

The directors do not recommend payment of an ordinary dividend.

#### **Future developments**

The directors will continue to expand the business by sourcing more authors and by updating existing titles.

# ASHGATE PUBLISHING LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2009**

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### Directors

The following directors have held office since 1 July 2008

N A E Farrow	
D P Wise	(Appointed 1 November 2009)
R Lynch	(Appointed 1 November 2009)
I Abed	(Appointed 1 November 2009)

Charitable donations	2009 £	2008 £
During the year the company made the following payments		
Charitable donations	29,640	4,645

The company has made a number of donations to charities which were all to be used for charitable purposes

The Estelle Trust £20,000

Help for Heros £1,250

Frimley Park Hospital £1,318

Phyllis Tuckwell Hospice £1,369

Surrey Air Ambulance £500

British Heart Foundation £500

Duchess of Kent House £750

Frencham Pond Sailability £750

Link Leisure £1,200

Winchester Churches £500

HANTS & IOW Wildlife £500

### Auditors

The auditors, Fisher Phillips, are deemed to be reappointed under section 487(2) of the Companies Act 2006

# ASHGATE PUBLISHING LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2009**

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### **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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting 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 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 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.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



D P Wise  
**Secretary**

12 March 2010

# **ASHGATE PUBLISHING LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO ASHGATE PUBLISHING LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 5 to 17, together with the financial statements of Ashgate Publishing Limited for the year ended 30 June 2009 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' report on abbreviated accounts and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



**Adam Woricker (Senior Statutory Auditor)**  
for and on behalf of Fisher Phillips

12 March 2010

**Chartered Accountants**  
**Statutory Auditor**

Summit House  
170 Finchley Road  
London NW3 6BP

# ASHGATE PUBLISHING LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 30 JUNE 2009**

	Notes	2009 £	2008 £
Turnover		7,605,710	6,894,323
Cost of sales		(1,822,092)	(1,660,459)
<b>Gross profit</b>		<b>5,977,250</b>	<b>5,447,852</b>
Administrative expenses		(5,352,862)	(4,986,527)
<b>Operating profit</b>	<b>2</b>	<b>624,388</b>	<b>461,325</b>
Investment income	<b>3</b>	19,157	6,328
Other interest receivable and similar income		42,479	13,768
<b>Profit on ordinary activities before taxation</b>		<b>686,024</b>	<b>481,421</b>
Tax on profit on ordinary activities	<b>4</b>	(165,030)	(113,383)
<b>Profit for the year</b>	<b>13</b>	<b>520,994</b>	<b>368,038</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

# ASHGATE PUBLISHING LIMITED

## ABBREVIATED BALANCE SHEET

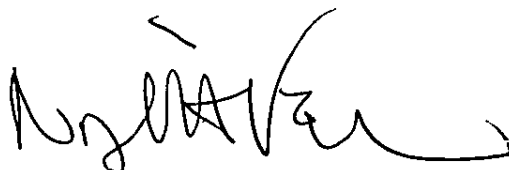
AS AT 30 JUNE 2009

	Notes	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Tangible assets	5	1,060,276		549,710	
Investments	6	452,131		452,131	
		<u>1,512,407</u>		<u>1,001,841</u>	
<b>Current assets</b>					
Stocks	7	1,606,642	1,508,353		
Debtors	8	8,945,130	8,032,709		
Investments	9	914,567	1,270,420		
Cash at bank and in hand		811,892	1,023,905		
		<u>12,278,231</u>	<u>11,835,387</u>		
<b>Creditors: amounts falling due within one year</b>	10	<u>(3,632,772)</u>	<u>(3,200,356)</u>		
<b>Net current assets</b>		<u>8,645,459</u>		<u>8,635,031</u>	
<b>Total assets less current liabilities</b>		<u>10,157,866</u>		<u>9,636,872</u>	
<b>Capital and reserves</b>					
Called up share capital	12	1,701,000	1,701,000		
Profit and loss account	13	8,456,866	7,935,872		
<b>Shareholders' funds</b>	14	<u>10,157,866</u>	<u>9,636,872</u>		

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 12 March 2010

N A E Farrow  
Director



Company Registration No. 02013228



# ASHGATE PUBLISHING LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

	£	2009 £	£	2008 £
<b>Net cash inflow from operating activities</b>		59,861		805,812
<b>Returns on investments and servicing of finance</b>				
Interest received	31,403		13,722	
Dividends received	3,972		-	
<b>Net cash inflow for returns on investments and servicing of finance</b>		35,375		13,722
<b>Taxation</b>		(13,383)		(312,788)
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible assets	(665,345)		(91,924)	
Receipts from sales of tangible assets	5,123		-	
Receipts from sales of investments	11,548		-	
<b>Net cash outflow for capital expenditure</b>		(648,674)		(91,924)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		(566,821)		414,822
<b>Management of liquid resources</b>				
Current asset investments	355,853		(412,969)	
Bank deposits	(107,819)		145,257	
		248,034		(267,712)
<b>(Decrease)/increase in cash in the year</b>		(318,787)		147,110

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

1	Reconciliation of operating profit to net cash inflow from operating activities	2009		2008	
		£		£	
	Operating profit	624,388		461,325	
	Depreciation of tangible assets	154,506		138,801	
	Profit on disposal of tangible assets	(4,850)		-	
	(Increase)/decrease in stocks	(98,289)		90,909	
	Increase in debtors	(897,708)		(188,698)	
	Increase in creditors within one year	281,814		303,475	
	<b>Net cash inflow from operating activities</b>	<b>59,861</b>		<b>805,812</b>	
2	Analysis of net funds	1 July 2008	Cash flow	Other non-cash changes	30 June 2009
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,023,905	(319,832)	-	704,073
	Bank overdrafts	(408,531)	1,045	-	(407,486)
		<u>615,374</u>	<u>(318,787)</u>	<u>-</u>	<u>296,587</u>
	Liquid resources				
	Current asset investments	1,270,420	(355,853)	-	914,567
	Bank deposits	-	107,819	-	107,819
		<u>1,270,420</u>	<u>(248,034)</u>	<u>-</u>	<u>1,022,386</u>
	<b>Net funds</b>	<b>1,885,794</b>	<b>(566,821)</b>	<b>-</b>	<b>1,318,973</b>
3	Reconciliation of net cash flow to movement in net funds	2009		2008	
		£		£	
	(Decrease)/increase in cash in the year	(318,787)		147,110	
	Cash inflow/(outflow) from decrease/(increase) in liquid resources	(248,034)		267,712	
	<b>Movement in net funds in the year</b>	<b>(566,821)</b>		<b>414,822</b>	
	Opening net funds	1,885,794		1,470,972	
	<b>Closing net funds</b>	<b>1,318,973</b>		<b>1,885,794</b>	

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED 30 JUNE 2009**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	Over 50 years
Land and buildings Leasehold	Over the term of the lease
Fixtures, fittings & equipment	Various- Straight line over the life of the asset
Motor vehicles	Various- Straight line over the life of the asset

#### **1.5 Investments**

Fixed asset investments are stated at cost less provision for diminution in value

Current asset investments are stated at the lower of cost and net realisable value

#### **1.6 Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value, after allowing for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

#### **1.7 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over employee's services lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

#### **1.8 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### **1.9 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2009

### 1 Accounting policies

(continued)

#### 1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

2	Operating profit	2009 £	2008 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	154,506	138,801
	Loss on foreign exchange transactions	-	34,067
	Auditors' remuneration (including expenses and benefits in kind)	41,500	39,000
	and after crediting		
	Profit on disposal of tangible assets	(4,850)	-
	Profit on foreign exchange transactions	(528,909)	-
		<u>          </u>	<u>          </u>
3	Investment income	2009 £	2008 £
	Income from fixed asset investments	19,157	6,328
	Bank interest	16,972	13,722
	Other interest	25,507	46
		<u>61,636</u>	<u>20,096</u>

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2009**

<b>4</b>	<b>Taxation</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	165,030	113,383
		<u>165,030</u>	<u>113,383</u>
	<b>Current tax charge</b>	<u>165,030</u>	<u>113,383</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	686,024	481,421
		<u>686,024</u>	<u>481,421</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 29.50%)	192,087	142,019
		<u>192,087</u>	<u>142,019</u>
	<b>Effects of</b>		
	Non deductible expenses	5,391	1,549
	Depreciation add back	41,904	40,946
	Capital allowances	(71,119)	(39,018)
	Tax losses utilised	(3,233)	(32,113)
		<u>(27,057)</u>	<u>(28,636)</u>
	<b>Current tax charge</b>	<u>165,030</u>	<u>113,383</u>

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2009

### 5 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 July 2008	413,353	-	886,995	182,307	1,482,655
Additions	-	51,993	602,352	11,000	665,345
Disposals	-	-	(273)	(22,726)	(22,999)
At 30 June 2009	413,353	51,993	1,489,074	170,581	2,125,001
<b>Depreciation</b>					
At 1 July 2008	66,136	-	749,000	117,809	932,945
On disposals	-	-	-	(22,726)	(22,726)
Charge for the year	8,267	-	116,563	29,676	154,506
At 30 June 2009	74,403	-	865,563	124,759	1,064,725
<b>Net book value</b>					
At 30 June 2009	338,950	51,993	623,511	45,822	1,060,276
At 30 June 2008	347,217	-	137,995	64,498	549,710

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2009

### 6 Fixed asset investments

	Shares in participating interests £	Shares in group undertakings £	Loans to group undertakings £	Total £
<b>Cost</b>				
At 1 July 2008 & at 30 June 2009	205,020	200,244	46,867	452,131
<b>Net book value</b>				
At 30 June 2009	205,020	200,244	46,867	452,131
At 30 June 2008	205,020	200,244	46,867	452,131

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Gower Training Limited	England	Ordinary	100 00
Hiveview Limited	England	Ordinary	100 00
Dartmouth Publishing Limited	England	Ordinary	20 00
Ashgate Publishing Company Inc	USA	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2009 £	Profit/(loss) for the year 2009 £
	<b>Principal activity</b>		
Gower Training Limited	Dormant	107,921	-
Hiveview Limited	Property Investment	85,436	16,180
Dartmouth Publishing Limited	Publishing	2,903,867	180,959
Ashgate Publishing Company Inc	Publishing	(163,759)	(54,305)

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2009

7	Stocks and work in progress	2009 £	2008 £
	Work in progress	138,305	169,883
	Finished goods and goods for resale	1,468,337	1,338,470
		<u>1,606,642</u>	<u>1,508,353</u>
8	Debtors	2009 £	2008 £
	Trade debtors	4,056,386	3,712,572
	Amounts owed by subsidiary undertakings	525,931	714,648
	Other debtors	4,110,758	3,406,409
	Prepayments and accrued income	252,055	199,080
		<u>8,945,130</u>	<u>8,032,709</u>
9	Current asset investments	2009 £	2008 £
	Listed investments	<u>914,567</u>	<u>1,270,420</u>
	Market valuation of listed investments	<u>917,562</u>	<u>1,469,016</u>



# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2009

10 Creditors: amounts falling due within one year	2009 £	2008 £
Bank loans and overdrafts	407,486	408,531
Trade creditors	1,341,851	1,331,399
Amounts owed to subsidiary undertakings	242,463	171,660
Corporation tax	65,030	(86,617)
Other taxes and social security costs	195,606	119,165
Directors' current accounts	1,909	737
Other creditors	1,009,357	833,591
Accruals and deferred income	369,070	421,890
	<u>3,632,772</u>	<u>3,200,356</u>

The bank overdraft is secured by a fixed and floating charge over the company's assets

#### 11 Pension and other post-retirement benefit commitments Defined contribution

	2009 £	2008 £
Contributions payable by the company for the year	<u>180,632</u>	<u>162,465</u>

#### 12 Share capital

	2009 £	2008 £
<b>Authorised</b>		
5,000,000 Ordinary of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
<b>Allotted, called up and fully paid</b>		
1,701,000 Ordinary of £1 each	<u>1,701,000</u>	<u>1,701,000</u>

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2009

### 13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2008	7,935,872
Profit for the year	520,994
	<hr/>
Balance at 30 June 2009	8,456,866
	<hr/>

### 14 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial year	520,994	368,038
Opening shareholders' funds	9,636,872	9,268,834
	<hr/>	<hr/>
Closing shareholders' funds	10,157,866	9,636,872
	<hr/>	<hr/>

### 15 Director's emoluments

	2009 £	2008 £
Emoluments for qualifying services	228,540	64,992
	<hr/>	<hr/>
Emoluments disclosed above include the following amounts paid to the highest paid director		
Emoluments for qualifying services	228,540	64,992
	<hr/>	<hr/>

# ASHGATE PUBLISHING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2009

### 16 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2009 Number	2008 Number
Marketing	30	30
Production	9	12
Administration	23	22
Editorial	60	55
Distribution	-	7
	<u>122</u>	<u>126</u>

#### Employment costs

	2009 £	2008 £
Wages and salaries	2,760,051	2,208,730
Social security costs	366,305	328,048
Other pension costs	180,632	162,465
	<u>3,306,988</u>	<u>2,699,243</u>