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**BOOK WORKS (UK) LTD**

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**MANAGEMENT COMMITTEE REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 1998**

Company Number: 03190880



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## BOOK WORKS (UK) LTD

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### Company Information

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<b>Management Committee</b>	Robert Hadrill Jane Rolo
<b>Secretary</b>	Jane Rolo
<b>Company Number</b>	03190880
<b>Registered Office</b>	240 High Holborn London WC1V 7DN
<b>Business Address</b>	19 Holywell Row London EC2a 4JB
<b>Auditors</b>	John Ellis & Company Chartered Accountants 240 High Holborn London WC1V 7DN
<b>Bankers</b>	Lloyds Bank plc Camberwell Green Branch 25 Camberwell Green London SE5 7AB

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## BOOK WORKS (UK) LTD

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## BOOK WORKS (UK) LTD

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### MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31 MARCH 1998

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The management committee present their report and the financial statements for the year ended 31 March 1998. The company was incorporated on 25 April 1996 and commenced activities on 1 June 1996 when it took over the assets and liabilities of Book Works (London) Ltd.

#### Principal activities and review of activities

The principal activity of the company during the period was the promotion of artists books.

The management committee consider that the state of the company's affairs is satisfactory.

#### Financial review

The company made a surplus of £1,996 for the year compared with a surplus of £486 in the previous period.

#### Company status

The company is limited by guarantee and registered at Companies House.

#### Management committee

The members of the management committee perform the role of directors in company law. Those who served during the year, except where indicated, were :

Robert Hadrill

Jane Rolo

#### Statement of the management committee's responsibilities

Company law requires the management committee 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 surplus or deficit of the company for that period. In preparing those financial statements, the management committee is required to:

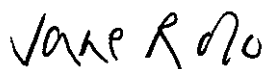
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The management committee is 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

The auditors, John Ellis & Company, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the management committee on 18 December 1998 and signed on its behalf by:



Jane Rolo  
Secretary

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## BOOK WORKS (UK) LTD

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### AUDITORS' REPORT TO THE MEMBERS OF BOOK WORKS (UK) LTD

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We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

#### Respective responsibilities of the management committee and auditors

As described on page 1 the company's management committee is 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 judgments made by the management committee 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 as at 31 March 1998 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**John Ellis & Company**

Chartered Accountants  
and Registered Auditors  
240 High Holborn  
London WC1V 7DN

18 December 1998

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**BOOK WORKS (UK) LTD**

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**INCOME AND EXPENDITURE ACCOUNT**  
**For the year ended 31 March 1998**

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	Note	1 April 1997 to 31 March 1998 £	25 April 1996 to 31 March 1997 £
TURNOVER	1	157,654	111,644
Direct costs		(134,268)	(97,360)
GROSS SURPLUS		23,386	14,284
Administrative expenses		(21,885)	(13,798)
OPERATING SURPLUS		1,501	486
Interest receivable		495	-
SURPLUS FOR THE YEAR		1,996	486
Net liabilities taken over		-	(2,180)
DEFICIT BROUGHT FORWARD		(1,694)	-
SURPLUS/(DEFICIT) CARRIED FORWARD		£ 302	£ (1,694)

The comparative figures for 1997 represent 10 months activity from June 1996 to March 1997.

Turnover and operating surplus derive wholly from continuing operations.

There were no recognised gains and losses for 1998 or 1997 other than those included in the income and expenditure account.

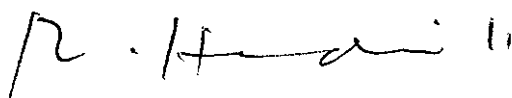
The notes on pages 5 to 8 form part of these financial statements.

# BOOK WORKS (UK) LTD

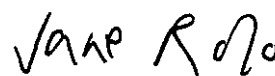
## BALANCE SHEET As at 31 March 1998

	Note	£	1998 £	£	1997 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	5		3,281		2,811
<b>CURRENT ASSETS</b>					
Stocks	6	17,111		34,570	
Debtors	7	25,083		30,424	
Cash at bank and in hand		-		46,496	
			<u>42,194</u>	<u>111,490</u>	
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(17,251)</u>		<u>(11,950)</u>	
<b>NET CURRENT ASSETS</b>			<u>24,943</u>		<u>99,540</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>28,224</u>		<u>102,351</u>
<b>ACCRUALS AND DEFERRED INCOME</b>			<u>(27,922)</u>		<u>(104,045)</u>
<b>NET ASSETS/(LIABILITIES)</b>			<u>£ 302</u>		<u>£ (1,694)</u>
<b>RESERVES</b>					
Income and expenditure account			<u>302</u>		<u>(1,694)</u>
			<u>£ 302</u>		<u>£ (1,694)</u>

The financial statements were approved by the management committee on 18 December 1998 and signed on its behalf by:



Robert Hadrill



Jane Rolo

The notes on pages 5 to 8 form part of these financial statements.

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## BOOK WORKS (UK) LTD

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1998

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#### 1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and include the results of the company's operations which are described in the Management Committee Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### 1.2 Turnover

Turnover represents the value of fees, grants, awards and donations receivable in the ordinary course of activities.

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25%	Straight line
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##### 1.4 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to income and expenditure account as incurred.

##### 1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### 1.6 Deferred Grants

Government and local authority grants for capital expenditure are credited to capital grant reserves and released to income over the expected useful life of the asset.

Grants of a revenue nature are credited to income in the period in which they relate. Grants received in advance for specified future periods are carried forward as deferred income.



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BOOK WORKS (UK) LTD

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NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 1998

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2. OPERATING SURPLUS

The operating surplus is stated after charging:

	1 April 1997 to 31 March 1998 £	25 April 1996 to 31 March 1997 £
Depreciation of tangible fixed assets - owned by the company	1,409	939
Auditors' remuneration	2,200	2,000

3. STAFF COSTS

Staff costs, including management committee's remuneration, were as follows:

	1 April 1997 to 31 March 1998 £	25 April 1996 to 31 March 1997 £
Wages and salaries	32,498	15,615
Social security costs	3,022	1,566
	<u>£ 35,520</u>	<u>£ 17,181</u>

The average monthly number of employees, including the management committee, during the year was as follows:

Direct costs	<u>2</u>	<u>1</u>
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4. MANAGEMENT COMMITTEE' REMUNERATION

	1 April 1997 to 31 March 1998 £	25 April 1996 to 31 March 1997 £
Salaries and other emoluments	<u>£ 21,773</u>	<u>£ 13,860</u>

**BOOK WORKS (UK) LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 1998

**5. TANGIBLE ASSETS**

	Office Equipment £	Total £
<b>Cost</b>		
At 1 April 1997	3,750	3,750
Additions	1,879	1,879
At 31 March 1998	<u>5,629</u>	<u>5,629</u>
<b>Depreciation</b>		
At 1 April 1997	939	939
Charge for year	1,409	1,409
At 31 March 1998	<u>2,348</u>	<u>2,348</u>
<b>Net Book Value</b>		
At 31 March 1998	<u>£ 3,281</u>	<u>£ 3,281</u>
At 31 March 1997	<u>£ 2,811</u>	<u>£ 2,811</u>

**6. STOCKS**

	1998 £	1997 £
Work in progress	2,500	11,604
Finished goods	14,611	22,966
	<u>£ 17,111</u>	<u>£ 34,570</u>

**7. DEBTORS**

	1998 £	1997 £
<b>Due within one year</b>		
Trade debtors	19,866	20,709
Other debtors	5,217	9,715
	<u>£ 25,083</u>	<u>£ 30,424</u>

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**BOOK WORKS (UK) LTD**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 1998**

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**8. CREDITORS:**  
**Amounts falling due within one year**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>170</b>	<b>-</b>
Trade creditors	<b>10,214</b>	<b>3,803</b>
Social security and other taxes	<b>2,512</b>	<b>5,678</b>
Other creditors	<b>4,355</b>	<b>2,469</b>
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	<b>£ 17,251</b>	<b>£ 11,950</b>
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**9. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

At the end of the period there were no capital commitments, contingent liabilities or other financial commitments for which full provision has not been made in these financial statements (1997 £Nil).