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**BOOK WORKS (UK) LTD**

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**MANAGEMENT COMMITTEE'S REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2006**

**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>	Stephen Bury David Dibosa Marysia Lewandowska Sharmini Pereira Jo Stockham
<b>Secretary</b>	Jane Rolo
<b>Co-Directors</b>	Rob Hadrill Jane Rolo
<b>Company Number</b>	03190880
<b>Charity Number</b>	1104148
<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 Moorgate Branch 34 Moorgate London EC2R 6PL

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**MANAGEMENT COMMITTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2006**

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The management committee presents their report and the financial statements for the year ended 31 March 2006.

**Principal activities and review of activities**

The company is established with the object to advance education of the public in the visual arts and in particular in the context of books, through printing, publishing and exhibitions of artists' books.

The company commissions new work in collaboration with artists and writers, publishing, producing and printing books, multiples, limited editions, and new media projects. It also organizes exhibitions, installations, time-based and performance works, workshops and educational events in a variety of different locations including galleries, libraries, museums, retail spaces and on the Internet. It acts as a national resource for artists' books and those involved in publishing in the arts, and aims to distribute its work to a wide and varied audience. It receives fixed term funding from Arts Council England towards its core publishing programme.

**Activities**

Book Works has had a very productive year with – the development of a major new project Fabrications and the completion of Scape Specific – as well as a successful programme of commissioned books, events and related activities.

We have fulfilled nearly all our objectives for the year, delivering an ambitious programme.

**Book Works published 8 new titles, and 2 reprints**

- Opus Series  
Bureau of the Centre for Study of Surrealism and its Legacy by Mark Dion (co-published with AHRC Centre for Study of Surrealism and Manchester Museum, Manchester University)  
Folk Archive: Contemporary Popular Art from the UK by Jeremy Deller & Alan Kane (edited by Bruce Haines, and published to coincide with major touring exhibition of Folk Archive 2005-06)
- Chap Books Series (selected from open submission)  
Suitcase Body Is Missing Woman by Eva Weinmayr  
Lost in Space by Andrew Dodds  
Head in the Railings by Siôn Parkinson
- Scape Specific - guest edited by Sara Wajid  
Sheikh 'n' Vac by Yara El-Sherbini  
I'll Get My Coat by Usman Saeed and Sukhdev Sandhu
- Single title  
Vox Populi, Norway by Fiona Tan
- Reprints  
Err by David Shrigley  
Folk Archive by Jeremy Deller and Alan Kane

All these titles were launched during the year, and distributed widely to the public through retail outlets, to libraries and art galleries, and through various events, book launches and exhibitions

**11 New commissions underway (due to be published/completed 2006/07)**

- Nav Haq has been invited to guest edit two new books with Olivia Plender and Rosalind Nashashibi
- Mark Beasley and Matthew Higgs will co-curate a spoken word cd, Loudspeaker with numerous contributors

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MANAGEMENT COMMITTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2006

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- Chap Books series continues with a book by Nick Jordan and Jacob Cartwright; and commissioning of the next two titles (7&8) in the series, due to be selected in July 2006.
- Single titles with Fiona Tan, Gavin Wade, Simon Faithfull and Alun Rowlands.
- In addition Book Works has been developing Fabrications – a three year programme of publishing partnership around the UK and worldwide, co-ordinated by Gerrie van Noord. The first partnership with Project, Dublin will see the publication and promotion of Make Everything New - A Project on Communism in Autumn 2006.

Book Works is continuing to work with ethnic minorities/culturally diverse artists, writers, and editors through our publishing programme and through the studio, and through various marketing, outreach and educational strategies e.g. Study Day at Tate Britain: Reinventing the Muslim Vernacular in the British Landscape.

This is in line with our race equality and equal opportunity policy and cultural diversity action plan (currently being updated).

Book Works has continued to offer artists' surgeries and workshops to artists, students, designers and curators, as well as giving talks and workshops throughout the UK. We have also provided information and resources on art publishing that can be downloaded for free from our website. We have taken part in numerous exhibitions, conferences, art and book fairs both in the UK and abroad.

The studio has had a very busy year, attracting collaborations and commissions from a very varied range of artists, designers, curators/gallerists and students. The studio has continued to provide several workshops, as well as offering practical advice and information to students and artists wanting to produce books. In-house training has also been provided to studio assistants.

#### **Financial review**

Book Works' key financial objective is to ensure financial stability and continued solvency year on year so that it can pursue its artistic aims and objectives. In particular in 2005-6 the objective was to achieve a significant step towards holding the targeted free reserves. This was achieved with a surplus on unrestricted reserves for the year after transfers of £30,558. The new financial year began with unrestricted reserves of £120,700. Restricted funds carried forward at 31 March 2006 amounted to £8,436 (2005, £33,289). This is sufficient for the activities for which the funds were provided.

#### **Principal funding sources**

Book Works generates funding from its own sources and receives core revenue funding from the Arts Council England. Its own sources include printing and related crafts undertaken in the studio, production agreements, and sales of publications.

#### **Reserves policy**

The Board has established a reserves policy based on the need to hold funds as identified in Book Works' risk reviews. The reviews identified that it would be prudent to hold the equivalent of three months expenditure on salaries and support costs in reserves. This amounts to approximately £70,000. The free reserves, the unrestricted funds carried forward less the designated funds and the unrestricted fixed assets, are currently £46,000. The management committee plan to increase this figure over the next five years.

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MANAGEMENT COMMITTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2006

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**Structure, governance and management**

Book Works (UK) Ltd is a company limited by guarantee and a registered charity. It was established with the objects as noted above. These objects are set out in its governing instrument, which is its Memorandum and Articles of Association.

The governing body is the management committee whose members are non-executive and unpaid. Members perform the role of directors in company law and trustees in charity law. The management committee meets regularly, retains full and effective control over the company and monitors the Co-directors. The Board is involved in major strategic decisions and has ultimate responsibility for the conduct and financial stability of Book Works.

The management committee appoints and delegates to the Co-directors the artistic control of Book Works. 'Director' is the traditional title used for this post though the holders are not directors under the Companies Act.

The Board regularly reviews the composition of the committee to ensure it has the skills necessary for its continued good management, cultural diversity and gender balance. In light of the review, potential new members are invited to join. A Co-director provides appropriate induction and training.

Members of the committee at the time of signing this report are shown on page 2. Those who served during the year, or part thereof, were:

Stephen Bury  
David Dibosa  
Ben Hillwood-Harris resigned 11 April 2005

Marysia Lewandowska  
Sharmini Pereira  
Jo Stockham

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

The management committee are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

So far as each of the members of the management committee are aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and

MANAGEMENT COMMITTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2006

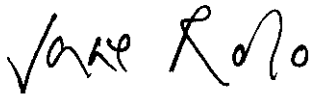
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- the management committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (s.234ZA(2)).

**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 2 October 2006 and signed on its behalf by:



Jane Rolo

Secretary

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

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We have audited the financial statements of Book Works (UK) Ltd for the period ended 31 March 2006 set out on pages 9 to 18. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities January 2005, the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005 and the accounting policies set out on pages 11 to 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of management committee and auditors**

As described in the Statement of Management Committee's Responsibilities the company's management committee is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Management Committee's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Management Committee's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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.

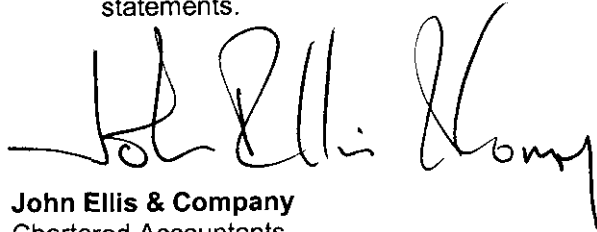
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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, in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities) of the state of the company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the management committee's report is consistent with the financial statements.



**John Ellis & Company**  
Chartered Accountants  
and Registered Auditors  
240 High Holborn  
London WC1V 7DN

2 October 2006

**STATEMENT OF FINANCIAL ACTIVITIES**  
For the year ended 31 March 2006

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
<b>Incoming Resources</b>					
Incoming resources from generated funds					
Voluntary income	3	129,386	-	129,386	126,230
Investment income	6	1,195	-	1,195	939
Incoming resources from charitable activities	4	317,913	39,118	357,031	320,567
<b>Total Incoming Resources</b>		<b>448,494</b>	<b>39,118</b>	<b>487,612</b>	<b>447,736</b>
<b>Resources Expended</b>					
Charitable activities	7	405,806	71,826	477,632	465,114
Governance costs	9	4,275	-	4,275	4,400
<b>Total Resources Expended</b>		<b>410,081</b>	<b>71,826</b>	<b>481,907</b>	<b>469,514</b>
<b>Net Incoming/(Outgoing) Resources before transfers</b>		<b>38,413</b>	<b>(32,708)</b>	<b>5,705</b>	<b>(21,778)</b>
Transfers between funds		(7,855)	7,855	-	-
<b>Net Incoming/(Outgoing) Resources</b>		<b>30,558</b>	<b>(24,853)</b>	<b>5,705</b>	<b>(21,778)</b>
Fund balances brought					
forward at 1 April 2005		90,142	33,289	123,431	145,209
<b>Fund balances carried forward at 31 March 2006</b>		<b>£ 120,700</b>	<b>£ 8,436</b>	<b>£ 129,136</b>	<b>£ 123,431</b>

The balance on restricted funds represents the amount of funds available for specific projects or activities which were not finished at the year end. These funds are therefore necessary to complete the project or activity and are not a surplus available for other purposes.

There were no recognised gains and losses for 2006 or 2005 other than those included in the statement of financial activities. All the company's activities are classified as continuing. The comparative figures for the year to 31 March 2005 have been restated for changes in the format arising from the full adoption of the revised Statement of Recommended Practice (SORP), published in March 2005.

The statement of financial activities incorporates an income and expenditure account.

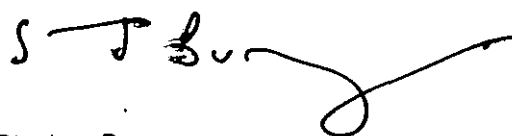
The notes on pages 11 to 18 form part of these financial statements

# BOOK WORKS (UK) LTD

## BALANCE SHEET As at 31 March 2006

	Note	£	2006 £	£	2005 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	13		19,992		22,523
<b>CURRENT ASSETS</b>					
Stocks	14	69,508		60,912	
Debtors	15	51,115		62,903	
Cash at bank and in hand		31,611		6,507	
		<u>152,234</u>		<u>130,322</u>	
<b>CREDITORS: amounts falling due within one year</b>	16	<u>(43,090)</u>		<u>(29,414)</u>	
<b>NET CURRENT ASSETS</b>			<u>109,144</u>		<u>100,908</u>
<b>NET ASSETS</b>			<u>£ 129,136</u>		<u>£ 123,431</u>
<b>RESERVES</b>					
Restricted funds	18		8,436		33,289
Unrestricted funds:					
Designated funds	19	55,000		55,000	
Other charitable funds		65,700		35,142	
		<u>120,700</u>		<u>90,142</u>	
	20		<u>£ 129,136</u>		<u>£ 123,431</u>

The financial statements were approved by the management committee on 2 October 2006 and signed on its behalf by:



Stephen Bury

Management committee member



Sharmini Pereira

Management committee member

The notes on pages 11 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2006**

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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 historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985. The financial statements include the results of the company's operations which are described in the Management Committee's 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 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.3 Incoming resources**

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support advice/performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2006**

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**1. ACCOUNTING POLICIES - continued**

**1.4 Resources expended**

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include both the direct and support costs relating to these activities.
- Governance costs include the cost of the preparation and audit of the statutory accounts, the costs of trustees meetings and the cost of any legal advice to trustees on governance or constitutional matters.
- Support costs include central functions and have been allocated to activity cost categories on a basis of staff involved in the activity.

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Fixed assets costing more than £250 are capitalised. 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:

Leasehold buildings	-	8%	Straight line
Plant & machinery	-	25%	Straight line
Office equipment	-	25%	Straight line
Fixtures & fittings	-	25%	Straight line

**1.6 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.

**1.7 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.

**1.8 Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus.

**2. INCOMING RESOURCES**

9% of the charity's incoming resources (2005 - 8%) is attributable to geographical markets outside the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2006

3. VOLUNTARY INCOME

	2006 £	2005 £
Arts Council of England	129,386	126,230
	<u>£ 129,386</u>	<u>£ 126,230</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Fees for Services £	Grants £	Total Funds 2006 £	Total Funds 2005 £
Studio	211,548	-	211,548	178,715
Commissions of new work				
OPUS	37,388	5,000	42,388	19,614
Other	68,977	34,118	103,095	122,238
	<u>£ 317,913</u>	<u>£ 39,118</u>	<u>£ 357,031</u>	<u>£ 320,567</u>

5. GRANT INCOME

	2006 £	2005 £
Arts Council of England		
Revenue	129,386	126,230
Commissions of new works	20,440	63,333
Arts Catalyst	7,500	-
Nathan Coley/Scottish Arts Council	-	5,188
The University of Manchester	-	12,000
Folk Archive	5,000	1,000
London Institute	-	750
VOX Populi	3,378	-
University of Central England	2,000	-
Other	800	-
	<u>£ 168,504</u>	<u>£ 208,501</u>

6. INVESTMENT INCOME

	2006 £	2005 £
Bank interest receivable	1,195	939
	<u>£ 1,195</u>	<u>£ 939</u>

# BOOK WORKS (UK) LTD

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2006

### 7. RESOURCES EXPENDED - CHARITABLE ACTIVITIES

	Staff Costs	Other direct costs	Support Costs	Total Funds 2006	Total Funds 2005
	£	£	£	£	£
Studio	111,435	56,023	42,688	210,146	188,318
Commissions of new work					
OPUS	-	42,267	-	42,267	3,912
Other	67,515	101,625	56,079	225,219	272,884
	<u>£ 178,950</u>	<u>£ 199,915</u>	<u>£ 98,767</u>	<u>£ 477,632</u>	<u>£ 465,114</u>

### 8. SUPPORT COSTS

	Staff	Premises	Other	Total Funds 2006	Total Funds 2005
	£	£	£	£	£
Studio	11,131	20,774	10,783	42,688	39,952
Commissions of new work	19,104	16,847	20,128	56,079	54,322
	<u>£ 30,235</u>	<u>£ 37,621</u>	<u>£ 30,911</u>	<u>£ 98,767</u>	<u>£ 94,274</u>

### 9. GOVERNANCE COSTS

	2006 £	2005 £
Auditors' remuneration	4,254	4,000
Trustee' expenses	21	400
	<u>£ 4,275</u>	<u>£ 4,400</u>

### 10. NET INCOMING/(OUTGOING) RESOURCES

Net incoming/(outgoing) resources is stated after charging:

	2006 £	2005 £
Depreciation of tangible fixed assets		
- owned by the company	3,206	7,255
Auditors' remuneration	4,254	4,000
Auditors' remuneration - non audit services	3,552	2,189
	<u>10,992</u>	<u>13,444</u>

# BOOK WORKS (UK) LTD

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2006

### 11. STAFF COSTS

Staff costs were as follows:

	2006 £	2005 £
Wages and salaries	191,462	198,035
Social security costs	17,723	18,156
	<u>£ 209,185</u>	<u>£ 216,191</u>

No employee received emoluments of £60,000 or more. During the year, no management committee member received any remuneration, benefits in kind or reimbursement of expenses (2005 - £Nil).

The average monthly number of employees during the year was as follows:

Direct costs	9	9
Administration	<u>1</u>	<u>1</u>

### 12. TAXATION

The company is a charity and is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 13. TANGIBLE ASSETS

	Land & Buildings £	Plant & Machinery £	Office Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>					
At 1 April 2005	29,227	1,142	18,171	806	49,346
Additions	-	-	-	675	675
At 31 March 2006	<u>29,227</u>	<u>1,142</u>	<u>18,171</u>	<u>1,481</u>	<u>50,021</u>
<b>Depreciation</b>					
At 1 April 2005	7,897	856	17,463	607	26,823
Charge for year	2,435	286	250	235	3,206
At 31 March 2006	<u>10,332</u>	<u>1,142</u>	<u>17,713</u>	<u>842</u>	<u>30,029</u>
<b>Net Book Value</b>					
At 31 March 2006	<u>£ 18,895</u>	<u>£ -</u>	<u>£ 458</u>	<u>£ 639</u>	<u>£ 19,992</u>
At 31 March 2005	<u>£ 21,330</u>	<u>£ 286</u>	<u>£ 708</u>	<u>£ 199</u>	<u>£ 22,523</u>

Land and buildings comprises expenditure on fitting out the company's leasehold premises.



**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2006

**14. STOCKS**

	2006 £	2005 £
Raw materials	10,520	7,865
Finished goods	58,988	53,047
	<u>£ 69,508</u>	<u>£ 60,912</u>

**15. DEBTORS**

	2006 £	2005 £
<b>Due within one year</b>		
Trade debtors	46,728	44,600
Other debtors	4,387	3,650
Prepayments and accrued income	-	653
Grants in arrears	-	14,000
	<u>£ 51,115</u>	<u>£ 62,903</u>

**16. CREDITORS:**

**Amounts falling due within one year**

	2006 £	2005 £
Bank loans and overdrafts	4,855	-
Trade creditors	22,114	9,795
Social security and other taxes	5,143	5,891
Other creditors	3,978	4,073
Accruals	7,000	6,355
Deferred income	-	3,300
	<u>£ 43,090</u>	<u>£ 29,414</u>

**17. DEFERRED INCOME**

	2006 £	2005 £
At 1 April 2005	3,300	11,000
Incoming resources deferred in the current year	-	3,300
Amounts released to statement of financial activities	<u>(3,300)</u>	<u>(11,000)</u>
At 31 March 2006	<u>£ -</u>	<u>£ 3,300</u>

# BOOK WORKS (UK) LTD

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2006

### 18. RESTRICTED FUNDS

The funds of the company include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance 1 April 2005 £	Movement in Resources			Balance 31 March 2006 £
		Incoming £	Outgoing £	Transfers £	
Commission of new work					
OPUS	19,848	5,000	(32,703)	7,855	-
Other	13,441	34,118	(39,123)	-	8,436
	<u>£ 33,289</u>	<u>£ 39,118</u>	<u>£ (71,826)</u>	<u>£ 7,855</u>	<u>£ 8,436</u>

Commission of new work - relate to contributions towards the costs of producing new book titles.

#### Transfers

The amount transferred from unrestricted to restricted funds represents the amount of funds that restricted activities rely on from core unrestricted fund.

### 19. DESIGNATED FUNDS

The funds of the company include the following designated funds which have been set aside out of unrestricted funds by the management committee for specific purposes:

	Balance 1 April 2005 £	Movement in Resources		Balance 31 March 2006 £
		Incoming £	Outgoing £	
Office and studio	45,000	-	-	45,000
Equipment	10,000	-	-	10,000
	<u>£ 55,000</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 55,000</u>

# BOOK WORKS (UK) LTD

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2006

### 20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds 2006
	£	£	£
Fund balances at 31 March 2006 are represented by			
Tangible fixed assets	19,992	-	19,992
Current assets	136,726	15,508	152,234
Current liabilities	(36,018)	(7,072)	(43,090)
	<u>£ 120,700</u>	<u>£ 8,436</u>	<u>£ 129,136</u>

### 21. OTHER COMMITMENTS

At 31 March 2006 the company had annual commitments under non-cancelable operating leases as follows:

	Land and buildings		Other	
	2006	2005	2006	2005
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	<u>22,177</u>	<u>21,531</u>	<u>-</u>	<u>-</u>

### 22. 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 (2005 £Nil).