

# Bloomsbury Book Publishing Company Limited

## DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

Year ended  
29 February 2020

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Company Registration Number: 3830397

# Bloomsbury Book Publishing Company Limited

## DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2020

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The directors present their annual report and unaudited financial statements for the year ended 29 February 2020.

### PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The Company provides intercompany loans to other members of the Bloomsbury Group. The Directors do not expect any change in the principal activity during the next financial year.

### 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 2020. Details of this review can be found in the Annual Report of the Group which can be obtained from [www.bloomsbury-ir.co.uk](http://www.bloomsbury-ir.co.uk) or from the Company Secretary at the address in note 11.

### RESULTS

The Company's profit after taxation for year ended 29 February 2020 was \$696,526 (2019: profit after taxation \$1,129,353).

### 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 29 February 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the year ended 29 February 2020 in accordance with section 476.

The directors have taken the exemption provided under section 414B of the Companies Act 2006 from presenting a strategic report.

On behalf of the board

*M. Abu-Deeb*

M Abu-Deeb  
Company Secretary  
5 February 2021

REGISTERED OFFICE  
50 Bedford Square  
London  
WC1B 3DP

# Bloomsbury Book Publishing Company Limited

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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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 101 *Reduced Disclosure Framework*.

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.

# Bloomsbury Book Publishing Company Limited

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 29 February 2020

	<i>Note</i>	Year Ended 29 February 2020 \$	Year Ended 28 February 2019 \$
REVENUE		-	-
Cost of sales		-	-
GROSS PROFIT		-	-
Administrative costs		-	-
OPERATING PROFIT	2	-	-
Finance income	3	1,138,000	1,138,000
Finance costs	4	(969)	-
PROFIT BEFORE TAXATION		1,137,031	1,138,000
Taxation	5	(440,505)	(8,647)
PROFIT FOR THE FINANCIAL YEAR		696,526	1,129,353
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		696,526	1,129,353

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

The notes on pages 6 to 10 form part of these financial statements.

# Bloomsbury Book Publishing Company Limited

## STATEMENT OF FINANCIAL POSITION

Company Registration Number: 3830397

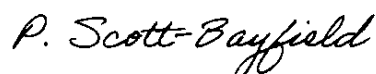
As at 29 February 2020

	<i>Note</i>	29 February 2020 \$	28 February 2019 \$
CURRENT ASSETS			
Trade and other receivables	6	18,989,401	19,202,325
Current Tax liabilities		(234,289)	(116,320)
NET CURRENT ASSETS		18,755,112	19,086,005
TOTAL ASSETS LESS CURRENT LIABILITIES		18,755,112	19,086,005
NET ASSETS		18,755,112	19,086,005
EQUITY			
Share capital	8	3	3
Share premium	9	17,499,999	17,499,999
Retained earnings	9	1,255,110	1,586,003
		18,755,112	19,086,005

The notes on pages 6 to 10 form part of the financial statements.

For the year ending 29 February 2020 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 10 were approved and authorised for issue by the board of directors on 5 February 2021 and are signed on its behalf by



P Scott-Bayfield  
Director

# Bloomsbury Book Publishing Company Limited

## STATEMENT OF CHANGES IN EQUITY

As at 29 February 2020

	Share capital	Share premium	Retained earnings	Total
	\$	\$	\$	\$
Balance at 28 February 2018	3 17,499,999		456,650	17,956,652
Profit for the year	-	-	1,129,353	1,129,353
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>1,129,353</b>	<b>1,129,353</b>
<b>Balance at 28 February 2019</b>	<b>3 17,499,999</b>		<b>1,586,003</b>	<b>19,086,005</b>
Profit for the year	-	-	696,526	696,526
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>696,526</b>	<b>696,526</b>
Dividends to equity holders of the Company	-	-	(1,027,419)	(1,027,419)
<b>Balance at 29 February 2020</b>	<b>3 17,499,999</b>		<b>1,255,110</b>	<b>18,755,112</b>

# Bloomsbury Book Publishing Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 29 February 2020

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### 1 ACCOUNTING POLICIES

#### (a) *Basis of accounting*

Bloomsbury Book Publishing Company 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.

These financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken. 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 Publishing Plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and 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 101 in respect of the following disclosures:

- Comparative period reconciliations for shares capital;
- Statement of cash flows and related notes;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of key management personnel; and
- Disclosures in respect of transactions with wholly owned subsidiaries.

As the consolidated financial statements of Bloomsbury Publishing Plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 7 Financial Instruments.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies 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 a £6m uncommitted term loan facility and a five year revolving credit facility of between £8m and £12m depending on the timing of the year (to reflect the Group’s cash flow cycle).

# Bloomsbury Book Publishing Company Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 29 February 2020

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The directors, having assessed the responses of the directors of the 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 and continuing sources of revenue.

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) *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 as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods 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.

#### *iii) Current and deferred tax for the year*

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

### (d) *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.



# Bloomsbury Book Publishing Company Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 29 February 2020

(e) *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 29 February 2020, have had a material impact on the Company.

(f) *Functional and presentation currency*

The financial statements are presented in U.S. dollars.

### 2 PROFIT FOR THE YEAR

All services were provided to the Company by employees of Bloomsbury Publishing PLC. No staff cost recharge was made for the year. The Directors did not receive any remuneration for services provided to the Company.

3	FINANCE INCOME	Year ended 29 February 2020 \$	Year ended 28 February 2019 \$
	Intercompany loan interest receivable	1,138,000	1,138,000
		<u>1,138,000</u>	<u>1,138,000</u>

4	FINANCE COSTS	Year ended 29 February 2020 \$	Year ended 28 February 2019 \$
	Other interest	969	-
		<u>969</u>	<u>-</u>

5	TAXATION	Year ended 29 February 2020 \$	Year ended 28 February 2019 \$
	(a) Analysis of tax charge for the year		
	UK corporation tax		
	Current tax on profit for the year	225,433	-
	Adjustment in respect of prior periods	215,072	8,647
	Tax on profit	<u>440,505</u>	<u>8,647</u>

# Bloomsbury Book Publishing Company Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 29 February 2020

### (b) Factors affecting tax charge for the year

The tax charge for the year is the more than (2019: less than) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%) The differences are explained below:

	Year ended 29 February 2020 \$	Year ended 28 February 2019 \$
Profit before tax	1,137,030	1,138,000
Profit multiplied by the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	216,036	216,220
Effects of:		
Adjustment to tax charge in respect of previous periods	215,072	8,647
Group relief surrender	9,397	(216,220)
Total tax charge	440,505	8,647
<b>6</b>	<b>TRADE AND OTHER RECEIVABLES</b>	
	29 February 2020 \$	28 February 2019 \$
Amounts owed by Group undertakings	18,989,401	19,202,325
	18,989,401	19,202,325
Loans owed by group undertakings are repayable at the request of the borrower.		
<b>7</b>	<b>DIVIDENDS</b>	
	29 February 2020 \$	28 February 2019 \$
Final dividend of \$513,709 (2019: \$nil) per ordinary share proposed and paid during the year relating to the previous year's results	1,027,419	-
	1,027,419	-
<b>8</b>	<b>SHARE CAPITAL</b>	
	29 February 2020 \$	28 February 2019 \$
2 Ordinary shares of £1 each	3	3
	3	3

# Bloomsbury Book Publishing Company Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 29 February 2020

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### 9 RESERVES

#### *Share premium*

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

#### *Retained earnings*

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

### 10 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 29 February 2020, the Group had no draw down (2019: £nil) of this facility with £8.0 million of undrawn borrowing facilities (2019: £12.0 million) available.

The facility comprises a committed revolving loan facility of £8 million in the first half and an additional £4 million in the second half, totalling £12 million, to match Bloomsbury's cash flow cycle, 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. Subsequent to the year-end, the maturity of the facility was extended to May 2022.

### 11 ULTIMATE PARENT COMPANY

The immediate and ultimate parent 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.