

HBD

Company Registration No. 05113671 (England and Wales)

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2009



HBD Accountancy Services LLP
Chartered Accountants
Liverpool

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

COMPANY INFORMATION

Directors

Mr David Attwooll
Prof David Sadler
Mr Anthony Cond
Mr David McDonnell
Ms Sue Corbett (Appointed 1 October 2009)

Secretary

Mrs Tracey Mooney

Company number

05113671

Registered office

4 Cambridge Street
Liverpool
L69 7ZU

Auditors

HBD Accountancy Services LLP
Gladstone House
2 Church Road
Liverpool
L15 9EG

Bankers

Barclays Bank Plc
Barclays Corporate Business
6th Floor
1 Marsden Street
Manchester
M2 1HW

Solicitors

Brabners Chaffe Street
Horton House
Exchange Flags
Liverpool
L2 3YL

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

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LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2009

The directors present their report and financial statements for the year ended 31 July 2009

Principal activities

The principal activity of the company continued to be that of the publication and sale of academic books and journals

Directors

The following directors have held office since 1 August 2008

Mr David Attwooll	
Lady Vivian Bone	(Resigned 11 November 2009)
Prof David Sadler	
Mr Anthony Cond	
Mr David McDonnell	
Mr Robin Bloxsidge	(Resigned 1 October 2008)
Ms Sue Corbett	(Appointed 1 October 2009)

Auditors

HBD Accountancy Services LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

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.

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Mr Anthony Cond

Director

2 March 2010

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

We have audited the financial statements of Liverpool University Press 2004 Limited for the year ended 31 July 2009 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. 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 auditors' 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Mrs Alison Beasley (Senior Statutory Auditor)
for and on behalf of HBD Accountancy Services LLP

5 March 2010

Chartered Accountants
Statutory Auditor

Gladstone House
2 Church Road
Liverpool
L15 9EG

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2009

	Notes	2009 £	2008 £
Turnover		1,022,867	763,821
Cost of sales		(525,960)	(459,008)
Gross profit		496,907	304,813
Distribution costs		(199,201)	(182,051)
Administrative expenses		(426,472)	(407,994)
Operating loss	2	(128,766)	(285,232)
Other interest receivable and similar income	3	56	464
Interest payable and similar charges		(1,101)	(293)
Loss on ordinary activities before taxation		(129,811)	(285,061)
Tax on loss on ordinary activities	4	56,429	-
Loss for the year	11	(73,382)	(285,061)

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

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

BALANCE SHEET

AS AT 31 JULY 2009

Company Registration No. 05113671 (England and Wales)

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	5		745		510
Current assets					
Stocks		268,079		358,078	
Debtors	6	148,483		200,196	
Cash at bank and in hand		170,603		140,389	
		<u>587,165</u>		<u>698,663</u>	
Creditors: amounts falling due within one year	7	<u>(464,020)</u>		<u>(569,871)</u>	
Net current assets			123,145		128,792
Total assets less current liabilities			123,890		129,302
Creditors: amounts falling due after more than one year	8		<u>(789,819)</u>		<u>(721,849)</u>
			<u>(665,929)</u>		<u>(592,547)</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account	11		<u>(666,029)</u>		<u>(592,647)</u>
Shareholders' funds	12		<u>(665,929)</u>		<u>(592,547)</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 2 March 2010



Mr Anthony Cond
Director

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The financial statements have been prepared on the going concern basis. The validity of this assumption is dependent upon the continued financial support from the company's ultimate parent - the University of Liverpool - and the company's bankers to meet the company's day to day working capital requirements

The directors have prepared profit forecasts and projected cash flow information for the succeeding 12 months from the date of approval of these financial statements. On the basis of this information and discussions with the University of Liverpool, the directors consider that Liverpool University Press 2004 Limited will continue to operate within its overdraft facility provided that it continues to receive financial support from the University. Furthermore it is the intention to convert debt of £700,000 owed by the company to the University of Liverpool, into 350,000 ordinary shares of £1 each and 350,000 redeemable preference shares of £1 each

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the financial support from the University of Liverpool nor from the withdrawal of the overdraft facility by the company's bankers

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 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

1.3 Turnover

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

Subscriptions to journals relate to a calendar year. Income received in respect of each journal is divided equally over the number of issues to be published in the calendar year. A proportion of the income received is deferred at the end of the accounting period as it is attributable to issues to be published between the following August and December

1.4 Tangible fixed assets and depreciation

Tangible fixed assets 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

Fixtures, fittings & equipment	Equally over 3 years
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1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value

Cost includes all costs of publishing a title net of grants received towards its publication

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

1 Accounting policies

(continued)

1.6 Pensions

The company contributes to the Universities Superannuation Scheme (USS) and the University of Liverpool Pension Fund (ULPF) for its academic and administrative staff respectively. Both schemes are defined benefit, externally funded and contracted out of the State Second Pension (S2P). The assets of the schemes are held in separate trustee administered funds.

The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by each fund's trustee on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme.

As the company is unable to identify the share of the underlying assets and liabilities pertaining to its employees on a reasonable and consistent basis, it has followed the provisions of Financial Reporting Standard No 17 by accounting for its contributions to the two schemes as though they were defined contribution schemes for the year. As a result, the amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

1.7 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.

1.8 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.

1.9 Related party transactions

The company has claimed the exemption available under Financial Reporting Standard No 8 from the requirement to disclose transactions with its ultimate controlling party, The University of Liverpool, as the company's financial statements will be included in the publicly available consolidated financial statements of the University.

2 Operating loss	2009 £	2008 £
Operating loss is stated after charging		
Depreciation of tangible assets	580	517
Loss on foreign exchange transactions	-	3,209
Auditors' remuneration	3,175	3,404
Directors' emoluments	94,156	105,953
and after crediting		
Profit on foreign exchange transactions	(890)	-

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2008 - 1).

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

3 Investment income	2009 £	2008 £
Bank interest	56	464
	<u>56</u>	<u>464</u>
4 Taxation	2009 £	2008 £
Domestic current year tax		
Receipt in respect of group relief	(56,429)	-
Current tax charge	<u>(56,429)</u>	<u>-</u>
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	<u>(129,811)</u>	<u>(285,061)</u>
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2008 - 20.00%)	<u>-</u>	<u>(57,012)</u>
Effects of		
Non deductible expenses	-	139
Depreciation add back	-	103
Tax losses utilised	-	56,770
Group relief receipt	<u>(56,429)</u>	<u>-</u>
	<u>(56,429)</u>	<u>57,012</u>
Current tax charge	<u>(56,429)</u>	<u>-</u>

The company has estimated losses of £ 301,346 (2008 - £ 585,193) available for carry forward against future trading profits

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

5 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 August 2008	3,520
Additions	815
	<hr/>
At 31 July 2009	4,335
	<hr/>
Depreciation	
At 1 August 2008	3,010
Charge for the year	580
	<hr/>
At 31 July 2009	3,590
	<hr/>
Net book value	
At 31 July 2009	745
	<hr/>
At 31 July 2008	510
	<hr/>

6 Debtors	2009 £	2008 £
Trade debtors	122,670	155,714
Other debtors	25,813	44,482
	<hr/>	<hr/>
	148,483	200,196
	<hr/>	<hr/>

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

7	Creditors: amounts falling due within one year	2009	2008
		£	£
	Bank loans and overdrafts	18,377	96,760
	Trade creditors	175,098	194,851
	Other creditors	270,545	278,260
		<u>464,020</u>	<u>569,871</u>

The bank overdraft is secured by a guarantee for £350,000 from The University of Liverpool dated 12 December 2007

8	Creditors: amounts falling due after more than one year	2009	2008
		£	£
	Other creditors	<u>789,819</u>	<u>721,849</u>
	Analysis of loans		
	Wholly repayable within five years	<u>789,819</u>	<u>721,849</u>
	Loan maturity analysis		
	In more than two years but not more than five years	<u>789,819</u>	<u>721,849</u>

Included in other creditors is an amount totalling £789,819 (2008 £721,849) due to The University of Liverpool, the ultimate controlling party

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

9 Pension and other post-retirement benefit commitments

Defined contribution

The company has accounted for its contributions to the two defined benefit schemes as though they were defined contribution schemes. The pension costs of £31,241 (2008 £23,055) was the employer's contribution payable to the Universities Superannuation Scheme (USS) and the University of Liverpool Pension Fund (ULPF) for the year. This treatment is in accordance with Financial Reporting Standard No 17.

The latest actuarial valuation of the USS was at 31 March 2008. At the valuation date, the market value of the assets of the scheme was £28,842.6 million and the value of the past service liabilities was £28,135.3 million indicating a surplus of £707.3 million. The Scheme's actuaries recommended that the employer's contributions should be increased to 16% of annual salaries, which it was agreed would commence on 1 October 2009.

The last actuarial valuation of the ULPF was at 31 July 2003. The Fund's assets were valued at £137.95 million, whilst the liabilities were valued at £128.97 million, leaving an actuarial surplus of £8.98 million.

	2009 £	2008 £
Contributions payable by the company for the year	31,241	23,055

10 Share capital

	2009 £	2008 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2008	(592,647)
Loss for the year	(73,382)
Balance at 31 July 2009	(666,029)

LIVERPOOL UNIVERSITY PRESS 2004 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

12 Reconciliation of movements in shareholders' funds	2009 £	2008 £
Loss for the financial year	(73,382)	(285,061)
Opening shareholders' funds	(592,547)	(307,486)
	<hr/>	<hr/>
Closing shareholders' funds	(665,929)	(592,547)
	<hr/>	<hr/>

13 Control

The ultimate controlling party is considered to be the University of Liverpool. The University owns the share capital of University of Liverpool Commercial Services Limited, which is the parent company of Liverpool University Press 2004 Limited.

14 Related party transactions

During the year the company paid consultancy fees totalling £22,827 (2008 £22,414) to Attwooll Associates Limited, a company related by a common director, Mr David Attwooll. These fees are included in directors' emoluments. The company owed £2,013 (2008 £2,084) to Attwooll Associates Limited at the balance sheet date.

The company also received an amount totalling £56,429 from University of Liverpool Properties Limited, a company related by common control, in respect of the sale of the company's taxable losses for 2008.