

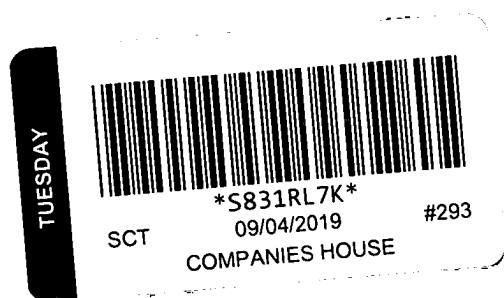
Edinburgh University Press Limited

Trustees' report and financial statements

Registered number SC139240

Scottish charity number SC035813

31 July 2018



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Trustees' report

The Trustees present their annual report and audited financial statements for the year ended 31 July 2018. The financial statements have been prepared on the basis of the accounting policies set out in note one to the financial statements and comply with the requirements of the 'Charities SORP (FRS 102): Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' and the Companies Act 2006.

Reference and administrative details

Name	Edinburgh University Press Limited	
Scottish charity number	SC035813	
Company registration number	SC139240	
Principal and Registered office	The Tun – Holyrood Road 12 (2f) Jackson's Entry Edinburgh EH8 8PJ	
Trustees and directors	Professor Ewen Cameron (Chair) Professor Alvin Jackson Mr Hugh Edmiston Dr Alex Thomson	
Charity secretary	Timothy E Wright	
Board of Management	Ivon Asquith Richard Fisher Margaret Hewinson Timothy E Wright Jan Thomson Nicola Ramsay Sarah Edwards Ian Davidson Anna Glazier	Chairman - Non Executive Non-Executive Non-Executive Chief Executive Head of Finance & Subscriptions Head of Editorial (books) Head of Journals Head of Production Head of Sales & Marketing
Bankers	RBS St Andrews Square Edinburgh EH2 2AD	
Solicitors	Brodies LLP 15 Atholl Crescent Edinburgh EH3 8HA	
Independent Auditors	PricewaterhouseCoopers LLP 141 Bothwell Street Glasgow G2 7EQ	

Trustees' report (*continued*)

Structure, Governance and Management

Governing document

Edinburgh University Press Limited ("the Press") is a charity limited by shares and governed by its memorandum and articles of association dated 16 June 1992, updated by written resolution on 20 July 2004 to take effect from 1 August 2004.

Trustees

Trustees are appointed by the Court of the University of Edinburgh ("the University Court"). Appointments are not made for specific periods but are normally subject to re-appointment on a triennial basis. The articles of association stipulate a minimum of three Trustees and the University Court has recommended that there shall normally be five; three of whom will be academic appointments including the Convenor of the Press Committee; and two of whom will be from other backgrounds (e.g. the Director of Corporate Services and an appropriate external appointment).

Current and future trustees receive a full briefing on the relevant provisions of the Charities and Trustee Investment (Scotland) Act 2005.

The Trustees are legally responsible, and accountable to the University, for the Press's compliance with:

- the Companies Act 2006;
- the Charities and Trustee Investment (Scotland) Act 2005;
- other statutes;
- the University of Edinburgh's requirements and for the general oversight of key issues of policy and strategy; and
- financial performance as proposed to them or reported to them by the Board of Management (see below).

The Press Committee, a committee of the University of Edinburgh, is responsible for considering and, if thought fit, approving all of the Press's publication proposals. Its membership of senior academics is at the invitation of its Chair, subject to the approval of the Principal, and so far as possible are representative of the academic fields in which the Press publishes.

Organisational structure

Ultimate responsibility for the conduct of the business of the Press rests with the Trustees. Certain matters have been delegated to the Board of Management and these are set out in the Press's Scheme of Delegation, which is set out below.

The Trustees normally meet four times a year with the Board of Management in attendance and will receive at such meetings financial reports, budgets, publishing and title reports and papers on key issues of policy or strategy. They report to Corporate Services and through them to the University Court.

The Board of Management

Members of the Board of Management are appointed by the Trustees. Currently its members are its non-executive Chairman, the Chief Executive and Charity Secretary, Head of Finance, Head of Editorial (Books), Head of Production, Head of Sales & Marketing, Head of Journals and two other non-executives selected for their appropriate publishing and book trade experience.

Trustees' report (*continued*)

Board of management (continued)

The key meetings of the Board of Management are those with the Trustees but the Board may meet at any time as may be required (e.g. publishing planning meetings, strategy development etc.) The Executive Management Group which consists of the Chief Executive and Charity Secretary, the Head of Finance & Subscription Management, the Head of Book Publishing, the Head of Production, the Head of Sales & Marketing and Head of Journals meet weekly.

A Remuneration Committee consisting of the Trustees, with advice from non-executive members of the Board of Management will agree the terms and conditions of the executive members of the Board of Management. The Chair of the Management Board will act as Secretary to the Remuneration committee.

Scheme of delegation

Without derogating from the Trustees' ultimate powers and responsibilities in relation to the conduct of Edinburgh University Press Limited's business, the Trustees hereby delegate to their appointed Board of Management their responsibility for the overall and day-to-day executive management of the Press subject to the following:

- 1 The Trustees' approval of appointments to the Board of Management and the levels of remuneration payable to non-executive members (see also 7 below).
- 2 The Trustees' approval of the annual budget within which the Board of Management have full authority to operate.
- 3 The Trustees receiving a prompt report in the event of significant financial under performance against budget and of action being taken in the light of it, and / or any serious management issues, public relation issues and any legal difficulties.
- 4 The Trustees' approval of significant planned deviation from budget.
- 5 The Trustees' approval of any item of capital expenditure within or outside budget of an amount above £15k.
- 6 The Trustees' approval of any overall business plan for the Press.
- 7 The Trustees' approval (through their Remuneration Committee) of the overall terms and conditions of executive members of the Board of Management.
- 8 The provision to the Trustees of the following reports (normally at the meetings of the Trustees with the Board of Management): annually the draft budget; management accounts and cash position for the relevant period; annually the draft statutory financial statements (subsequently legally subject to the Trustees' approval); papers on major issues of policy or strategy and publishing title reports and acquisition of new journals (for information).

Note: The Chief Executive is responsible to the chairman of the Board of Management for the day-to-day management of the Press.

The Board of Management shall be subject to the direction and control of the Trustees and shall at all times act in accordance with resolutions of the Board of Trustees that are communicated to them.

The powers and responsibilities conferred by the Scheme of Delegation may be extended, reduced or otherwise varied at any time by resolution of the Board of Trustees.

Risks

An assessment and report on our risks were tabled to the trustees' at the June 2018 Board Meeting. The impact rates were 4 (disastrous), 3 (critical), 2 (moderate) and 1 (slight).

The primary risks are:

Loss of IT and systems provided by the university (4)

Changes in customer purchase patterns, in particular by US libraries (3)

Decision of 3rd party distributors' in UK & USA to end 3rd party work (3)

Growth of libraries becoming publishers, especially in the Open Access area (3)

Trustees' report (*continued*)

Risks (Continued)

Economic decline in major markets leading to general drop off in book sales with libraries continuing to prioritise journals (2)

Securing of EUP journals via tender process by other UK publishers (2)

The Trustees' have reviewed the major risks to which the Press is exposed, in conjunction with an overall review of risk by The University of Edinburgh. Trustees' are content with procedures that have been established to mitigate those risks.

Objectives and activities

The Press publishes scholarly works and monographs (the advancement of knowledge), textbooks and supplementary textbooks (the educational role), and works of reference (supporting both scholarly and educational utility). It also has a portfolio of over forty journals.

The Press's chosen fields of publishing are Classics, Film Studies, Media & Cultural Studies, Islamic Studies, Language and Linguistics, Law, Literary Studies, Philosophy, Politics, and Scottish History.

The Press's publishing is recognised as being of the highest quality as monitored by the University's Press Committee which has to approve all titles proposed for publication. The sale of its publications is increasingly international and does much good for the University and for Scotland around the world; in the year ended 31 July 2018 over 60% of the Press's book revenues were outside the UK. The Press has a network of distributors' world-wide including partnerships with Taylor & Francis (an Informa business), in Singapore and Oxford University Press in North and South America.

In summary the Press:

- Contributes significantly to 'knowledge transfer' and the dissemination of the results of scholarly research.
- Contributes significantly to the education of university students and others.
- Contributes as the leading university Press in Scotland to the dissemination of scholarly work in Scottish history and other Scottish subjects and on contemporary Scottish issues.
- Enhances the university's reputation internationally through the acknowledged high quality of its publishing.

The key objectives set by the Trustees for the year were to grow the total income of the Press through continuing to publish high quality books & journals and subsequently increase the gross and net margins. These overall objectives are supported by a number of detailed targets which are monitored by the Trustees on a regular basis.

Achievements and performance against 2018 objectives

- The Press achieved top line book sales of £2.40 million, 4% up on last year (2017: £2.32 million) – and against a budget of £2.37 million.
- E book sales of £521k – an increase of 16% over 2017 (449k).
- Top line journal sales were £772k (2017: £673k) against a budget of £763k.
- Rights and Permissions revenue of £267k (2017: £235k) was 12% above budget.
- The overall gross margin was 67% (2017: 68%) against a budget of 68%.
- We commissioned 256 new books during the year compared with 250 in 2017/18.
- We commissioned 3 textbooks, none of which are new editions. This follows a review of textbook commissioning during the year.

Trustees' report (*continued*)

In summary the key business developments and results for the year:

- 204 new books published and 138 new in paperback (2017: 191 new books, 20 NIP)
- 42 journals published (2017: 40 journals).
- Regionally UK sales -15% (2017: +8%), European sales +4% (2017: +22%), USA sales +23% (2017: +29%) and Rest of the World sales -15% (2017: +10%).
- Cash inflow of £175k with cash at the end of the year of £1.58 million.
- Net surplus of £147k (2017: £100k) against a budget for the year of 179k.

Financial review

Books sales were up by 4% year on year with 204 new titles being published – compared with 191 in 2017. This increase in sales came primarily from E sales which grew by 16% year on year. Print sales grew by 1% year on year. Journal Subscriptions sales held up very well and turnover was 15% year on year.

Reserves policy and going concern

At the end of financial year 17/18, The Press held £1.56m in the general, unrestricted funds. This fund includes £3k of designated funds from the sale of journals copyright. These funds are used to invest in the journals business. We expect to utilise this £3k within FY20. The Trustees review the level of reserves on an annual basis during decisions on future operating plans and budgets. The Trustees recommend that a minimum of £860k is held in reserve in order to secure a minimum of 3 months of budgeted trading. This would give a surplus this Financial Year of £702k. The Press's objective is to reinvest any surplus in suitable acquisitions to fit with the charities objectives. The trustees are of the view that the Press is a going concern.

Plans for future periods

The Press intends to continue to develop its activities in both book and journals publishing in the year ahead. Central to this development will be the appointment of a new Head of Sales to spearhead our global sales drive in both books & journals. In addition we have appointed a new Commissioning Editor in Islamic & Middle Eastern Studies reflecting what we believe is an opportunity to grow that particular list. We will also be looking to invest in a small number of start-up journals – again in subject areas which we have identified as ripe for expansion. We will be working hard to preserve our margins in the wake of increased paper costs. On the books side we will continue to keep the business in surplus, despite the significant investments, by increasing sales. We will continue to review, along with the Head of Sales, our North American sales, marketing & distribution arrangements to ensure we have the best possible partner to meet the increasing challenges that we face in the USA and beyond.

Trustees' report (*continued*)

Key objectives for 2019

- Publish 227 books on agreed schedule
- Achieve print book sales of £2,023k (2018: £1,877k).
- Achieve E book sales of £602k (2018: £521)
- Achieve journal revenues of £784k (2018: £772k).
- Achieve Rights & Permissions of £264k (2018: £267k).
- Maintain cash positive position.
- Achieve a consolidated net profit of 4% of top line sales (£125k) (2018: 5%).
 - a. Books surplus of £13k (£1%) reflecting investment in new Head of Sales.
 - b. Journals surplus of £111k (14%) from 19% in 2018.
- Invest in start-up journals where appropriate.
- Secure more Society journals.
- Secure ownership of more EUP published journals where possible.
- Continue to review sales, marketing & distribution arrangements in North America.
- Increase commissioning in Islamic and Middle East studies
- Review printing arrangements for books – particularly in respect of POD/ASR.
- Improve monitoring of stock charges to ensure they are kept within budget.
- Continue to take advantage of OA opportunities where they arise, keeping abreast of University initiatives where relevant.

Disclosure of information to Auditors

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Press's auditors are unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the Press's auditors are aware of that information.

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

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

On behalf of the board



Professor Ewen Cameron
Chairman of the Board of Trustees
5th November 2018

Corporate governance statement

The University of Edinburgh is the sole member of Edinburgh University Press Limited. The University of Edinburgh adheres to recognised best practice in relation to Corporate Governance. Edinburgh University Press Limited will have regard to the University's policies on all aspects of Corporate Governance.

This statement describes how the Press is working towards best practice in corporate governance.

The Board of Directors/Trustees

The practice since 1st August 2004, when charitable status was obtained, has been established as follows:

The Board will meet four times annually and is charged with the general oversight and control of the Press.

The Board consists of Directors/Trustees, all of whom are non-executive.

The Directors/Trustees are independent of management and all bring their independent judgement to bear on issues of strategy, performance, resources, key appointments and standards of conduct. To enable them to do this, they have full and timely access to all relevant information. They also have access to independent professional advice at the Press's expense, if and when required. They were not appointed for a fixed term.

Board of Management

Edinburgh University Press Limited has a Board of Management, with a Non-Executive Chairman, two Non-Executive Members, Chief Executive, Head of Editorial (Books), Head of Finance, Head of Sales & Marketing, Head of Production and Head of Journals. The Non-Executive members are appointed for an initial three year term and can serve for a maximum of three terms.

Remuneration Policy

The Board of Directors/Trustees has a formal and transparent procedure for developing policy on executive remuneration for the Board of Management. A Remuneration Committee is in place.

Financial Reporting

The Board of Directors/Trustees accepts responsibility for preparing the financial statements and presenting a balanced and understandable assessment of the Press's position. The Board confirms that it is satisfied that the Press can continue to operate for the foreseeable future and is financially sound. For this reason they adopt the going concern basis in preparing the financial statements.

Internal Control

The Board of Directors/Trustees accepts responsibility for the Press's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The University of Edinburgh's Internal Audit function reviews internal controls in key activities of the Press and reports their findings to the board and the University's Audit Committee, recommending improvements to controls and procedures.

Compliance with corporate governance policies of the University of Edinburgh

In the year to 31 July 2018 the Press was fully compliant with the corporate governance policies of the University of Edinburgh in the year then ended and will continue to do so.

Audit Committee

The Press's operations are considered by the University of Edinburgh Audit Committee, which meets four times a year with the University's internal and external auditors in attendance.

Corporate governance statement (*continued*)

Risk Management

The Press is fully aware of risk management responsibilities and a risk register for the Press has been drawn up in conjunction with the Project Management Office within the Department of Corporate Services at the University.

Environmental Policy

The Press recognises that it has a role to play in promoting sustainable development in business. We will strive over time to manage our operations and those of our suppliers in ways that are environmentally sustainable and economically feasible.

Where appropriate the Press is committed to delivering sustainability in its own business practices and through its values and policies. We recognise this to be a continuous process of improvement and we seek to improve our performance in areas such as production, marketing and distribution of our publications and in our general office operations including paper and cartridge recycling, packaging and the use of fair trade products where possible.

Statement of trustees' responsibilities

The trustees (who are also directors of Edinburgh University Press Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members and trustees of Edinburgh University Press Limited

Report on the audit of the financial statements

Opinion

In our opinion, Edinburgh University Press Limited's financial statements ("the financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2018 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Trustees' Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 July 2018; the statement of financial activities (incorporating an Income and Expenditure account), the cash flow statement for the year then ended; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report to the members and trustees of Edinburgh University Press Limited (continued)

Report on the audit of the financial statements (continued)

Reporting on other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent auditors' report to the members and trustees of Edinburgh University Press Limited (continued)

Report on the audit of the financial statements (continued)

Responsibilities for the financial statements and the audit (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: prepare financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Lindsey Paterson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
5th November 2018

Statement of financial activities
(incorporating an income and expenditure account)
for the year ended 31 July 2018

	Note(s)	Unrestricted	Restricted	Permanent Endowment	Total Funds
		2018	2018	2018	2018
		£	£	£	£
Income from:					
Charitable activities	2	3,437,694	39,509	-	3,477,203
Investments	3	12,173	-	-	12,173
Total income		3,449,867	39,509	-	3,489,376
Expenditure on					
Charitable activities	4, 6	3,306,461	45,136	-	3,351,597
Total Expenditure		3,306,461	45,136	-	3,351,597
Net income/(expenditure) for the year		143,406	(5,627)	-	137,779
Fund balances brought forward at 1 st August		1,417,115	37,913	357,482	1,812,510
Fund balances carried forward at 31st July		1,560,521	32,286	357,482	1,950,289

All of Edinburgh University Press Limited's activities are continuing.

There is no material difference between the net income/(expenditure) on ordinary activities and the income/(expenditure) for the financial year stated above and their historical cost equivalents.

The Statement of Financial Activities includes all gains and losses recognised in the year.

Company registration number: SC139240

Statement of financial activities
(incorporating an income and expenditure account)
for the year ended 31 July 2017

	<i>Note(s)</i>	Unrestricted	Restricted	Permanent Endowment	Total Funds
		2017	2017	2017	2017
		£	£	£	£
Income from:					
Charitable activities	2	3,224,757	27,545	-	3,252,302
Investments	3	7,425	-	-	7,425
Total income		3,232,182	27,545	-	3,259,727
Expenditure on					
Charitable activities	4, 6	3,139,168	23,753	-	3,162,921
Total Expenditure		3,139,168	23,753	-	3,162,921
Net income for the year		93,014	3,792	-	96,806
Fund balances brought forward at 1 st August		1,324,101	34,121	357,482	1,715,704
Fund balances carried forward at 31st July		1,417,115	37,913	357,482	1,812,510

All of Edinburgh University Press Limited's activities are continuing.

There is no material difference between the net income/(expenditure) on ordinary activities and the income/(expenditure) for the financial year stated above and their historical cost equivalents.

The Statement of Financial Activities includes all gains and losses recognised in the year.

Company registration number: SC139240

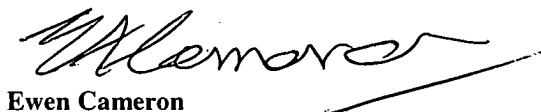
Balance sheet
As at 31 July 2018

	<i>Note</i>	2018		2017	
		£	£	£	£
Fixed Assets					
Tangible assets	10		19,080		22,897
Intangible assets	11		118,250		117,214
Current assets					
Stock and Work In Progress	12	555,535		488,349	
Debtors	13	553,856		621,584	
Cash at bank and in hand		1,579,339		1,403,761	
Total current assets		2,688,730		2,513,694	
Creditors: amounts falling due within one year	14	(875,771)		(841,295)	
Net current assets		1,812,959		1,672,399	
Total assets less current liabilities		1,950,289		1,812,510	
Net assets		1,950,289		1,812,510	
The Funds of the Charity					
Permanent Endowment funds	15	357,482		357,482	
Restricted income funds	16	32,286		37,913	
Unrestricted income funds	16	1,560,521		1,417,115	
Total Charity Funds		1,950,289		1,812,510	

The notes on pages 18 to 30 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 14 to 30 were approved by the Board of Trustees on 5th November 2018 and were signed on its behalf by



Ewen Cameron
Chairman of The Board of Trustees

Company registration number: SC139240

Cash Flow Statement
for the year ended 31 July 2018

	<i>Note</i>	2018 £	2017 £
Cash flows from operating activities:			
Net cash provided by operating activities	<i>19</i>	214,406	193,527
Cash flows from investing activities:			
Income from investments	<i>3</i>	12,173	7,425
Purchase of intangible assets	<i>11</i>	(51,000)	(40,000)
Net cash used in investing activities		(38,827)	(32,575)
Change in cash and cash equivalents in the reporting period		175,579	160,952
Cash and cash equivalents at the beginning of the reporting period		1,403,761	1,242,809
Cash and cash equivalents at the beginning of the reporting period		1,579,339	1,403,761

Notes to the financial statements for the year ended 31 July 2018

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Press's financial statements except as noted below.

General Information

The Press received charitable status on 1 August 2004. Edinburgh University Press Limited is a charity limited by shares and governed by its memorandum and articles of association. The charity is registered in Scotland, United Kingdom and is a public benefit entity.

Statement of compliance

The financial statements of Edinburgh University Press Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), the Charity and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities SORP (FRS 102) and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. The financial statements have been prepared on the accruals basis, on the historical cost basis, and on the going concern basis.

As the company is a wholly owned subsidiary of the University of Edinburgh, it has taken advantage of the exemption contained in FRS 102 Section 33.1A *Related Party Disclosures* and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of the University of Edinburgh, within which this company is included, can be obtained from the address given in note 20.

Tangible fixed assets and depreciation

All fixed asset additions are capitalised at cost, with no minimum capitalisation limit. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer Equipment	-	3 years
Fixtures and fittings	-	3 years

Intangible fixed assets and amortisation

All intangible asset additions are capitalised at cost, with no minimum capitalisation limit. Amortisation is provided to write off the cost by equal instalments over their estimated useful economic lives as follows:

Website	-	3 years
Journal Acquisitions	-	4 years
DUP Acquisition	-	10 years

Stocks

Work in progress comprises books and journals in the course of production and is valued on the basis of direct costs incurred to date.

Finished goods and goods for resale comprise books and journals held by the Press and its distributors, which are valued on the basis of the lower of cost and net realisable value. Provisions for obsolescence are charged on the basis that, one year after publication all stock units in excess of two year's unit sales, based on the previous 12 months unit sales, are written off.

Notes to the financial statements *for the year ended 31 July 2018 (continued)*

1 Accounting policies (continued)

Taxation

The Press has no liability to tax as the Trust is exempt from tax under s505 of the Income and Corporation Tax Act 1988 and is therefore exempt from income tax, and s145 of the Capital Gains Tax Act 1979, on its charitable activities. The Press is registered for VAT and is able to recover all of its input VAT.

Income

Income is recognised when the Press is entitled to the funds, any performance conditions attached to the item(s) of income have been met it is probable that the income will be received and the amount can be measured reliably.

Investment income

All investment income is interest earned on bank deposits and recognised in the period to which it relates.

Income from charitable activities

Book and journal sales – these are recognised as they are sold by the Press's distributors.

Expenditure

All expenditure is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to the relevant category of resources expended as follows:

Charitable activities

These costs are the direct costs of the producing books and journals and the costs incurred by staff to support these activities.

Governance costs

Governance costs are those costs incurred in connection with the general running of the charity as opposed to the management and administration of its activities. They include costs relating to statutory requirements.

Pension costs

The Press participates in a multi-employer pension plan, a group defined benefit plan and a defined contribution pension plan. Further details of the accounting policies for these plans are included in note 18.

Employee Benefits

An evaluation of employee benefits for outstanding annual leave entitlement at year end has been undertaken. The trustees considers this balance to be immaterial to its operations (less than 0.5% of turnover). Therefore a provision for employee benefits has not been made in the financial statements. This position will be reviewed each year end.

Funds

The Press maintains four types of fund as follows:

Unrestricted funds

General funds are unrestricted funds which are available for use for any purpose at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated unrestricted funds

Designated funds are those funds which are ring-fenced for specific purposes as agreed by the Press' Board of Management.

Restricted funds

Restricted funds are those funds, which have been received subject to conditions from the donor in relation to their use. Details of the restricted funds are given in note 16.

Notes to the financial statements for the year ended 31 July 2018 (continued)

1 Accounting policies (continued)

Funds (continued)

Permanent endowment fund

The permanent endowment fund represents the share capital of the Press issued before the Press received charitable status on 1 August 2004. Under charity law, the share capital must be maintained, in perpetuity; the share capital has therefore been included as a permanent endowment fund.

Leases

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the period of the lease.

2 Income from charitable activities

	2018 £	2017 £
<i>By activity</i>		
Books	2,516,818	2,404,734
Journals	960,385	847,568
	<u>3,477,203</u>	<u>3,252,302</u>

3 Investment Income

	Unrestricted Fund £	Restricted Fund £	2018 Total £	2017 Total £
Bank interest & Exchange gains	12,173	-	12,173	7,425
	<u>12,173</u>	<u>-</u>	<u>12,173</u>	<u>7,425</u>

4 Charitable activities

For the year ended 31 July 2018

Activity	Activities Undertaken Directly £	Support Costs (note 5) £	Governance Costs (note 6) £	2018 Total £
Books	1,902,780	617,047	9,880	2,529,707
Journals	594,261	223,794	3,835	821,890
	<u>2,497,041</u>	<u>840,841</u>	<u>13,715</u>	<u>3,351,597</u>

Notes to the financial statements for the year ended 31 July 2018 (continued)

4 Charitable activities (continued)

For the year ended 31 July 2017

Activity	Activities Undertaken Directly £	Support Costs (note 5) £	Governance Costs (note 6) £	2017 Total £
Books	1,781,892	609,739	8,091	2,399,722
Journals	532,074	226,422	4,703	764,199
	<u>2,313,966</u>	<u>836,161</u>	<u>12,794</u>	<u>3,162,921</u>

5 Support costs

	Books £	Journals £	2018 £	Books £	Journals £	2017 £	Basis of allocation
Chief Executive & Finance	115,825	40,044	155,869	106,016	53,080	159,096	% of time (75/25)
Publicity/Promotion	102,648	24,613	127,261	108,927	20,619	129,546	Actual costs
General Running Costs	398,574	159,137	557,711	394,796	152,723	547,519	Estimate of time spent
	<u>617,047</u>	<u>223,794</u>	<u>840,841</u>	<u>609,739</u>	<u>226,422</u>	<u>836,161</u>	

6 Governance costs

	2018 £	2017 £
Legal fees	4,499	1,424
External audit fee	8,016	10,170
Tax/other Professional Services	1,200	1,200
	<u>13,715</u>	<u>12,794</u>

7 Net income

	2018 £	2017 £
<i>Net income is stated after charging</i>		
Auditors' remuneration:		
Audit of financial statements	8,016	10,170
Annual financial statements & CT600/600E HMRC filing in IXBRL	1,200	1,200
Inventory recognised as an expense	783,747	734,735
Impairment losses in relation to inventory recognised as an expense	43,109	51,926
Depreciation and other amounts written off tangible fixed assets	3,817	3,522
Amortisation – written off intangible assets	49,963	52,013

Notes to the financial statements

for the year ended 31 July 2018 (continued)

8 Trustee remuneration and expenses

The Trustees received no remuneration in the year for their services, or reimbursement of out of pocket expenses (2017: nil).

9 Staff numbers and costs

The monthly average number of persons employed by the Press during the year, analysed by category, was as follows:

	Number of employees	
	2018	2017
Office administration	32	33

The aggregate payroll costs of these persons were as follows:

	2018	2017
	£	£
Wages and salaries	1,018,991	986,978
Social security costs	100,510	89,824
Other pension costs	128,072	107,035
	<u>1,247,573</u>	<u>1,183,837</u>

32 FTE (2017: 33) staff members, based on a 35 hr week. 38 (2017: 37) staff members are on permanent contracts. There are no members of staff on fixed term or open ended contracts (2017: no members of staff).

There was one employee earned between £70,000-£79,999 (2017: one). No employees earned between £60,000-£69,999 (2017: nil), one employee earned between £50,000-£59,999 (2017: one).

The Executive Management Group earnings were £291,696 (2017: £284,583)

Contributions to pension schemes in year for employees earning over £60,000 were £14,468 (2017: £14,115)

Notes to the financial statements
for the year ended 31 July 2018 (continued)

10 Tangible Assets

	Computer Equipment	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 August 2017	132,042	83,115	215,157
	<hr/>	<hr/>	<hr/>
At 31 July 2018	132,042	83,115	215,157
	<hr/>	<hr/>	<hr/>
Accumulated Depreciation			
At 1 August 2017	132,042	60,218	192,260
Charge for year	-	3,817	3,817
	<hr/>	<hr/>	<hr/>
At 31 July 2018	132,042	64,035	196,077
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 July 2018	-	19,080	19,080
	<hr/>	<hr/>	<hr/>
At 31 July 2017	-	22,897	22,897
	<hr/>	<hr/>	<hr/>

All assets are held for charitable use.

Notes to the financial statements
for the year ended 31 July 2018 (continued)

11 Intangible Assets

	Books Website	Journal Assets	DUP Acquisition	Total
	£	£	£	£
Cost				
At 1 August 2017	43,840	80,000	100,000	223,840
Additions	-	51,000	-	51,000
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2018	43,840	131,000	100,000	274,840
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated Amortisation				
At 1 August 2017	36,626	30,000	40,000	106,626
Charge for year	7,214	32,750	10,000	49,964
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2018	43,840	62,750	50,000	156,590
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 July 2018	-	68,250	50,000	118,250
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2017	7,214	50,000	60,000	117,214
	<hr/>	<hr/>	<hr/>	<hr/>

All assets are held for charitable use.

12 Stock and Work In Progress

	2018 £	2017 £
Work in progress	120,393	120,060
Finished goods and goods for resale	435,142	368,289
	<hr/>	<hr/>
	555,535	488,349
	<hr/>	<hr/>

13 Debtors

	2018 £	2017 £
<i>Due within one year:</i>		
Trade debtors	503,316	551,040
Publishing Advances	34,196	34,768
Other debtors	16,344	34,417
Prepayments and accrued income	-	1,359
	<hr/>	<hr/>
	553,856	621,584
	<hr/>	<hr/>

Notes to the financial statements

for the year ended 31 July 2018 (continued)

14 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade Creditors	180,633	173,541
Amounts owed to group undertakings	111,836	53,071
Other Creditors	62,611	66,518
Accruals and Deferred Income*	520,691	548,165
	<hr/>	<hr/>
	875,771	841,295

*Accruals and Deferred Income includes £286,898 (2017: £316,530) of Subscription Income which is held until release of the journal before being transferred to Journals Subscription Income. The movement in deferred income is as follows:

	2018	2017
	£	£
Balance at 1 August	316,530	229,035
Additional amounts recognised as deferred income	674,802	1,282,851
Amounts released from deferred income	(704,433)	(1,195,356)
	<hr/>	<hr/>
Balance at 31 July	286,899	316,530

15 Permanent Endowment funds

The Press's permanent endowment fund represents the share capital issued by the Press prior to its registration as a charity from 1 August 2004. The share capital has been treated as a permanent endowment fund on the basis that the capital has to be retained by the Press and is therefore not expendable.

	2018	2017
	£	£
Authorised		
Equity: 500,000 (2017: 500,000) Ordinary shares of £1 each	500,000	500,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
Equity: 357,482 (2017: 357,482) Ordinary shares of £1 each	357,482	357,482
	<hr/>	<hr/>

The entire share capital is held by the University of Edinburgh.

Notes to the financial statements
for the year ended 31 July 2018 (continued)

16 Unrestricted and Restricted income funds

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Unrestricted funds – general	1,412,631	3,443,718	(3,298,872)	-	1,557,477
Unrestricted funds – designated	4,484	-	(1,440)	-	3,044
Other restricted funds	37,913	10,833	(16,460)	-	32,286
Total	1,455,028	3,454,551	(3,316,773)	-	1,592,807

Designated funding is income from the sale of journal assets, which is set aside for investment back into the journals business.

The Trustees consider there are no significant restricted funds which require separate disclosure. Restricted funds were spent on publications related to the specific area specified by the donor. There are no individual restricted funds in deficit.

17 Analysis of net assets between funds

	Fixed Assets £	Cash £	Net Current Assets £	Total £
Permanent endowment fund	-	357,482	-	357,482
Restricted funds	-	32,286	-	32,286
<i>Unrestricted funds</i>				
Designated funds	-	3,044	-	3,044
General funds	137,330	1,186,527	233,621	1,557,478
Total	137,330	1,579,339	233,621	1,950,290

Notes to the financial statements for the year ended 31 July 2018 (continued)

18 Pension schemes

Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Press's financial statements except as noted below.

The Press participates in the Universities Superannuation Scheme, the University of Edinburgh Staff Benefits Scheme and a Group Personal Pension Plan.

The Universities Superannuation Scheme (USS)

Five members of staff working in Edinburgh University Press are enrolled in the USS scheme. These members of staff are all employed by the University of Edinburgh but are engaged full time on Edinburgh University Press business. Under the Charity SORP, information provided for employee benefits must also include expenditure on staff working for the charity whose contracts are with a related party. In line with this, the University of Edinburgh account disclosures relevant to the USS scheme are given below to give context to the scheme itself.

The institution participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102: *Employee benefits*, the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised. As Edinburgh University Press is not the recognised employer within the USS scheme, it does not recognise a liability for the contributions payable.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

The total cost charged to the profit and loss account for the consolidated University accounts is £78.434m (2017: £73.807m). The total cost charged to the profit and loss account for the Edinburgh University Press financial statements is £45,909 (2017: £44,790).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2014 (the valuation date), which was carried out using the projected unit method. The valuation as at 31 March 2017 is underway but not yet completed.

Since the institution cannot identify its share of Retirement Income Builder Section of the Scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

Notes to the financial statements

for the year ended 31 July 2018 (continued)

18 Pension schemes (continued)

The 2014 valuation was the third valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £41.6 billion and the value of the Scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. These figures will be revised once the 2017 Scheme Valuation is complete.

Defined benefit liability numbers for the Scheme for accounting purposes have been produced using the following assumptions as at 31 March 2017 and 2018.

	2018	2017
Discount rate	2.64%	2.57%
Pensionable salary growth	n/a	n/a
Pensions increases (CPI)	2.02%	2.41%

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2018 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018	2017
Mortality base table	<u>Pre-retirement:</u> 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. <u>Post retirement:</u> 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.	98% of SAPS S1NA "light" YOB Unadjusted for males. 99% of SAPS S1NA "light" YOB with a -1 year adjustment for females.
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.	CMI_2014 with a long term rate of 1.5% p.a.

The current life expectancies on retirement at age 65 are:

	2018	2017
Males currently aged 65 (years)	24.5	24.4
Females currently aged 65 (years)	26.0	26.6
Males currently aged 45 (years)	26.5	26.5
Females currently aged 45 (years)	27.8	29.0
	2018	2017
Scheme assets	£63.6bn	£60.0bn
Total Scheme liabilities	£72.0bn	£77.5bn
FRS 102 total Scheme deficit	£8.4bn	£17.5bn
FRS 102 total funding level	88%	77%

Notes to the financial statements for the year ended 31 July 2018 (continued)

18 Pension schemes (continued)

The University of Edinburgh Staff Benefits Scheme (EUSBS)

The EUSBS is an externally funded defined benefit scheme which is, under the old State Pension rules until 5 April 2016, contracted out of the State Second Pension (S2P) Scheme. From 6 April 2016, employees are no longer able to contract out of the S2P. The assets of the scheme are held in a separate trustee-administered fund. The latest formal triennial actuarial valuation of the scheme was carried out as at 31st July 2018 and has been rolled forward as the basis for the following valuation under FRS 102 Section 28: *Retirement benefits*. As at 31 July 2018, the value of the assets in the scheme was £428 million (2017: £403 million) and the present value of the funded and unfunded benefits accrued was £482 million (2017: £548 million), leaving a shortfall of £55 million (2017: £145 million) included in the University pension liability.

Under FRS 102, section 28.38 if there is no agreement or policy for charging the net defined benefit cost of a defined benefit plan to individual group entities, the net defined benefit cost of a defined benefit plan shall be recognised in the individual financial statements of the group entity, University of Edinburgh. Other group entities shall, in their individual financial statements, recognise a cost equal to their contribution payable for the period. No such agreement or policy for charging the net defined benefit cost of a defined benefit plan exists between the University of Edinburgh and Edinburgh University Press and so EUP account for the scheme as a defined contribution scheme and hence the amount charged to the profit and loss account represents the employer's contributions payable to the scheme in respect of the accounting period. Further information is available at <http://www.ed.ac.uk/schools-departments/finance/pensions/scheme-details/sbs/> At 31 July 2018, The Press had five active members participating in the scheme. The Employer contribution rate payable were reduced on 1st January 2017 from 20.3% to 16.2% of pensionable salary and an agreed annual £1 million contribution from the University of Edinburgh. Total pension contributions charged to the income and expenditure account and payable by the Press for the year in respect of participation in the EUSBS scheme amounted to £25,815 (2017: £27,842)

The Group Personal Pension Plan

With effect from March 2006, new staff joining the Press participate in the Group Personal Pension plan administered by Scottish Widows Services plc. This is a defined contribution scheme and the amount charged to the profit and loss account represents the employer's contributions payable to the scheme in respect of the accounting period. The contribution rate payable by the Press during the year was 7%. Pension contributions payable by the Press on behalf of its employees during the year amounted to £56,347 (2017: £34,403). No retirement benefits from this scheme are accruing to any directors of the Press.

19 Reconciliation of net income to net cash flow from operating activities

	2018	2017
	£	£
Net income for the reporting period (as per the statement of financial activities)	137,779	96,806
Adjustments for:		
Depreciation charges	3,817	3,522
Amortisation charges	49,964	52,013
Income from investments	(12,173)	(7,425)
(Increase)/decrease in stocks	(67,186)	96,771
Decrease in debtors	67,728	51,795
Increase/(decrease) in creditors	34,477	(99,955)
Net cash provided by operating activities	214,406	193,527

Notes to the financial statements
for the year ended 31 July 2018 (continued)

20 Related party transactions

The premises are rented directly from the University. General payroll and human resource policy and support is through the University. Information Technology support is provided through the University. A Scholarly Publishing Initiative Fund agreement of £20k per annum is in operation with the University.

21 Ultimate parent undertaking

The Press is a subsidiary undertaking of The University of Edinburgh (SC005336), who is the ultimate parent of the Press. The results of the Press are included within the financial statements of The University of Edinburgh. The consolidated financial statements of the University of Edinburgh are available from Old College, South Bridge, Edinburgh EH8 9YL.

The purpose and activities of the parent undertaking, The University of Edinburgh, is the advancement of education and any other purpose that may reasonably be regarded as analogous to that purpose.