



Scott-Moncrieff
business advisers and accountants

WITHERBY PUBLISHING GROUP LIMITED

Company registration number SC333949

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

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WITHERBY PUBLISHING GROUP LIMITED

COMPANY INFORMATION

Directors	IG Macneil K Heathcote DL Tait J Machtelinckx JSM Heney G Macrosson (appointed 19 June 2017)
Company secretary	Morton Fraser Secretaries Limited
Registered number	SC333949
Registered office	27 Stafford Street Edinburgh EH3 7BJ
Accountants	Scott-Moncrieff Chartered Accountants Exchange Place 3 Sempie Street Edinburgh EH3 8BL

BALANCE SHEET
AS AT 31 MAY 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	-	32,981
Tangible assets	5	681,265	425,987
Investments	6	3,850	3,850
		<u>685,115</u>	<u>462,818</u>
Current assets			
Stocks	7	405,599	378,824
Debtors: amounts falling due within one year	8	2,870,648	2,355,984
Cash at bank and in hand		1,128,900	634,061
		<u>4,405,147</u>	<u>3,368,869</u>
Creditors: amounts falling due within one year	9	(1,184,069)	(1,358,077)
Net current assets		<u>3,221,078</u>	<u>2,010,792</u>
Total assets less current liabilities		<u>3,906,193</u>	<u>2,473,610</u>
Creditors: amounts falling due after more than one year	10	-	(122,615)
Provisions for liabilities			
Deferred tax	12	(38,857)	(11,954)
		<u>(38,857)</u>	<u>(11,954)</u>
Net assets		<u><u>3,867,336</u></u>	<u><u>2,339,041</u></u>
Capital and reserves			
Called up share capital		134,500	134,500
Share premium account		960,330	960,330
Profit and loss account		2,772,506	1,244,211
		<u><u>3,867,336</u></u>	<u><u>2,339,041</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2018

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....

IG Macneil

Director

Date: 12 December 2018

The notes on pages 4 to 16 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 May 2018.

The continuing activity of Witherby Publishing Group Limited is the publishing of training and reference material for the shipping industry.

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC333949.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors believe that the company will continue to trade profitably for the foreseeable future and it is therefore appropriate to prepare these financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings on an accruals basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.8 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

2. Accounting policies (continued)

2.9 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Websites	-	33 %	on cost
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2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following basis:

Property improvements	-	Over the term of the lease
Freehold property	-	Not depreciated
Plant and machinery	-	4% on cost
Equipment, fixtures and fittings	-	33% on cost and 15% reducing balance
Library	-	33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

No depreciation is provided in respect of freehold property. In the opinion of the directors, the length of its estimated useful life along with the estimated residual value of the property is such that depreciation would not be material. Costs of repair and maintenance are charged to the statement of income when incurred.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

2. Accounting policies (continued)

2.17 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

3. Employees

The average monthly number of employees, including directors, during the year was 41 (2017 - 38).

4. Intangible assets

	Website £	Intellectual property £	Total £
Cost			
At 1 June 2017	210,070	1,537,098	1,747,168
Additions	38,370	-	38,370
Disposals	(214,347)	(1,537,098)	(1,751,445)
At 31 May 2018	34,093	-	34,093
Amortisation			
At 1 June 2017	177,089	1,537,098	1,714,187
Charge for the year	71,351	-	71,351
On disposals	(214,347)	(1,537,098)	(1,751,445)
At 31 May 2018	34,093	-	34,093
Net book value			
At 31 May 2018	-	-	-
At 31 May 2017	32,981	-	32,981

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

5. Tangible fixed assets

	Freehold Property £	Plant & Machinery £	Equipment, fixtures and fittings £	Library £	Property improvements £	Total £
Cost or valuation						
At 1 June 2017	335,508	-	312,058	11,407	139,993	798,966
Additions	-	185,000	68,976	-	60,809	314,785
At 31 May 2018	335,508	185,000	381,034	11,407	200,802	1,113,751
Depreciation						
At 1 June 2017	-	-	229,473	11,407	132,099	372,979
Charge for the year	-	154	47,192	-	12,161	59,507
At 31 May 2018	-	154	276,665	11,407	144,260	432,486
Net book value						
At 31 May 2018	<u>335,508</u>	<u>184,846</u>	<u>104,369</u>	<u>-</u>	<u>56,542</u>	<u>681,265</u>
At 31 May 2017	<u>335,508</u>	<u>-</u>	<u>82,585</u>	<u>-</u>	<u>7,894</u>	<u>425,987</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

6. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 June 2017	3,850
At 31 May 2018	<u>3,850</u>
Net book value	
At 31 May 2018	<u>3,850</u>
At 31 May 2017	<u>3,850</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Witherbys Publishing Limited	England and Wales	Ordinary	100 %	Dormant
Seamanship International Limited	Scotland	Ordinary	100 %	Dormant
Witherby Digital Limited	Scotland	Ordinary	100 %	Dormant

None of the subsidiaries traded during the current or previous year, and as a result they made neither profit nor loss. At 31 May 2018 Witherbys Publishing Limited and Seamanship International Limited had aggregate capital and reserves of £nil (2017: £nil), and Witherby Digital Limited had aggregate capital and reserves of £1 (2017: £1)

7. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>405,599</u>	<u>378,824</u>
	<u>405,599</u>	<u>378,824</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

8. Debtors

	2018 £	2017 £
Trade debtors	1,061,847	651,912
Amounts owed by group undertakings	124,177	312,698
Other debtors	1,253,520	1,074,395
Prepayments and accrued income	113,429	74,250
Tax recoverable	317,675	242,729
	<u>2,870,648</u>	<u>2,355,984</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	122,700	119,074
Trade creditors	180,761	458,329
Corporation tax	272,563	232,849
Other taxation and social security	88,567	47,908
Other creditors	16,105	14,273
Accruals and deferred income	503,373	485,644
	<u>1,184,069</u>	<u>1,358,077</u>

10. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	-	122,615
	<u>-</u>	<u>122,615</u>

Secured loans

The bank loan is secured by a guarantee and indemnity for £238,000 and interest thereon by Witherby Estate Management Limited, a subsidiary of the parent company, which is supported by a standard security over freehold property held and a bond and floating charge over the whole of the company's property and undertaking.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

11. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	122,700	119,074
	<u>122,700</u>	<u>119,074</u>
Amounts falling due 1-2 years		
Bank loans	-	122,615
	<u>-</u>	<u>122,615</u>
	<u>122,700</u>	<u>241,689</u>

12. Deferred taxation

	2018 £	2017 £
At beginning of year	(11,954)	(16,902)
Charged to profit or loss	(26,903)	4,948
At end of year	<u>(38,857)</u>	<u>(11,954)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(38,857)	(11,954)
	<u>(38,857)</u>	<u>(11,954)</u>

13. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost and charge represents contributions payable by the company to the fund and amounted to £28,754 (2017: £25,762). At 31 May 2018 contributions amounting to £5,795 (2017: £5,245) were payable to the fund and were included in creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

14. Commitments under operating leases

At 31 May 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	84,280	77,718
Later than 1 year and not later than 5 years	80,600	164,560
	<u>164,880</u>	<u>242,278</u>

15. Post balance sheet events

The parent company entered into a re-financing agreement with Handelsbanken on 27 September 2018 resulting in the existing loan with Bank of Scotland being repaid in full.

The loan contains a floating charge which covers all the property and undertaking of the parent company and its subsidiaries, including Witherby Publishing Group Limited.

16. Related party transactions

During the year advances totalling £113,869 (2017: £40,497) were made to IG Macneil, a director of the company. Repayments of £913 (2017: £210,285) were paid to the company during the year. Included within other debtors (Note 8) is a loan balance of £568,351 (2017: £455,394).

During the year advances totalling £117,645 (2017: £43,336) were made to K Heathcote, a director of the company. Repayments of £nil (2017: £207,500) were paid to the company during the year. Included within other debtors (Note 8) is a loan balance of £564,148 (2017: £446,502).

There are no terms of interest on any of the above loans and they are repayable on demand.

During the year the company made donations totalling £72,000 (2017: £41,000) to the Witherby Publishing Group Trust. The Trust is controlled by IG Macneil, K Heathcote and J Machtelinckx who are all directors of the company.

During the year dividends totalling £394,215 (2017: £nil) were paid to Witherby Investments Limited, the parent company.

Included within amounts owed by group undertakings is a loan of £nil (2017: £192,000) due from Witherby Investments Limited, the parent company.

Included within amounts owed by group undertakings is a loan of £124,177 (2017: £120,698) due from Witherby Estate Management Limited (WEML), a company in which IG Macneil, K Heathcote, J Machtelinckx and DL Tait are all directors. WEML is also a 100% owned subsidiary of Witherby Investments Limited, the parent undertaking.

There are no terms of interest on these intercompany loans and they are all repayable on demand.

17. Ultimate Parent Undertaking and Controlling Party

The company's parent undertaking is Witherby Investments Limited, which owns the entire share capital of the company.

The ultimate controlling party is IG Macneil, who is a director of both Witherby Investments Limited and Witherby Publishing Group Limited.

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