

A & C Black Publishers Limited
(formerly A & C Black (Publishers) Limited)

DIRECTORS' REPORT
AND FINANCIAL STATEMENTS

31 December 2004



A & C Black Publishers Limited

DIRECTORS' REPORT

31 December 2004

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company continued to trade during the year as a publisher, its principal interests being year books, children's books and books on general subjects.

The results for the year are set out on page 5.

DIVIDEND

The directors do not recommend the payment of a dividend (2003 - £Nil).

FUTURE DEVELOPMENTS

The company is continuing to seek expansion of its publishing interests both in fields where it is already strong and in areas where logical growth can be seen.

FIXED ASSETS

All changes in fixed assets are shown in notes 7, 8 and 9 on pages 13 and 14.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year were as follows. All held office throughout the year, except as indicated:-

P. Langridge
Ms. D.J. Coleman
T.E. Rouelett (resigned 30 April 2004)
Ms. J. Murphy
O. Heini
J.N. Newton
C.R. Adams
Dr. K.M. Rooney
Ms. J. Aspinall (resigned 30 September 2004)
D.J. Wightman
Ms S.J. Fecher
J. Glasspool

The directors who held office at the end of the year had no interest in the share capital of the company at any time during the year.

A & C Black Publishers Limited

DIRECTORS' REPORT

31 December 2004

Messrs. J.N. Newton and C.R. Adams are directors of the ultimate parent company, Bloomsbury Publishing Plc, and their interests in its share capital are shown in the Annual Report accompanying the group accounts. Ms D J Coleman and Mr P Langridge are directors of the immediate parent company, A. & C. Black plc, and their interests in the share capital of Bloomsbury Publishing Plc are shown in the annual report of that company. The interests of the other directors in the share capital of Bloomsbury Publishing Plc were:

	31 December 2004		1 January 2004	
	Ordinary shares of 1.25p each	Ordinary share options	Ordinary shares of 1.25p each	Ordinary share options
Ms. J. Murphy (a)	1,324	30,000	1,324	30,000
O. Heini (b)	8,428	30,000	8,428	30,000
D.J. Wightman (c)	-	50,000	-	30,000
Ms S.J. Fecher (d)	-	10,000	-	10,000
J. Glasspool (e)	-	80,000	-	80,000
K.M. Rooney (f)	191,776	139,389	174,944	565,389

The ordinary share options comprise:

- (a) 13,620 exercisable at £2.2025 between 2003 and 2010 and 16,380 exercisable at £2.2025 between 2003 and 2007.
- (b) 13,620 exercisable at £2.2025 between 2003 and 2010 and 16,380 exercisable at £2.2025 between 2003 and 2007.
- (c) At 1 January 2004 17,092 exercisable at £1.755 between 2004 and 2011 and 12,908 exercisable at £1.755 between 2004 and 2008. These were all exercised during the year and a further 50,000 options were granted, exercisable at £2.45 between 2007 and 2011.
- (d) 10,000 exercisable at £2.2025 between 2003 and 2010.
- (e) 40,000 exercisable at £2.2025 between 2003 and 2007, 20,000 exercisable at £1.435 between 2005 and 2009 and 20,000 exercisable at £1.7875 between 2006 and 2010.
- (f) At 1 January 2004 26,000 exercisable at £0.2075 between 2001 and 2005, 400,000 exercisable at £0.6625 between 2002 and 2006 and 139,389 exercisable at £2.2025 between 2003 and 2007. All of the options at £0.2075 and £0.6625 were exercised during the year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements we are required to:

- a) select suitable accounting policies and apply them consistently;
- b) make reasonable and prudent judgements and estimates;
- c) state whether applicable Accounting Standards have been followed and give details of any departures;
- d) prepare the financial statements on a going concern basis unless in our view the company will be unable to continue in business.

We are also responsible for:

- a) keeping proper accounting records;
- b) safeguarding the company's assets;
- c) taking reasonable steps for the prevention and detection of fraud.

We are also responsible for preparing the directors' report and other information in the annual report in accordance with company law in the United Kingdom.

A & C Black Publishers Limited

DIRECTORS' REPORT

31 December 2004

AUDITORS

A resolution to re-appoint Baker Tilly as auditors will be proposed at the forthcoming Annual General Meeting.

On behalf of the board

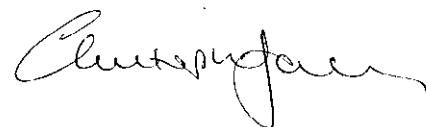
Christopher Fahey

Secretary

Registered office:

Alderman House
37 Soho Square
London W1D 3QZ

29 March 2005



A & C Black Publishers Limited

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF A & C BLACK PUBLISHERS LIMITED

We have audited the financial statements on pages 5 to 16.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

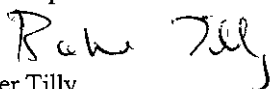
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Baker Tilly
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

29 March 2005

A & C Black Publishers Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2004

	<i>Note</i>	2004 £	2003 £
TURNOVER	2	11,247,709	10,489,260
Cost of sales		(5,980,594)	(5,121,338)
GROSS PROFIT		5,267,115	5,367,922
Distribution and selling costs		(2,701,422)	(2,398,538)
Administrative costs		(1,722,558)	(2,405,682)
Other operating income		22,850	-
OPERATING PROFIT	2	865,985	563,702
Exceptional redundancy costs		(581,484)	-
Loss on disposal of publishing list		(77,443)	-
Interest receivable		12,342	5,286
Interest payable	4	(100,466)	(43,893)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		118,934	525,095
Taxation	6	(32,012)	(130,073)
RETAINED PROFIT FOR THE FINANCIAL YEAR	14	86,922	395,022

CONTINUING OPERATIONS

None of the company's operations was acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company had no recognised gains or losses for the two years to 31 December 2004 apart from the results shown above.

A & C Black Publishers Limited

BALANCE SHEET

at 31 December 2004

	Note	£	2004 £	£	2003 £
FIXED ASSETS					
Intangible assets	7		-		-
Tangible assets	8		249,301		311,867
Investments	9		1,380,585		1,373,820
			<u>1,629,886</u>		<u>1,685,687</u>
CURRENT ASSETS					
Stocks	10	3,602,731		3,990,886	
Debtors	11	5,690,531		5,680,142	
Cash at bank and in hand		775,698		309,469	
			<u>10,068,960</u>	<u>9,980,497</u>	
CREDITORS: amounts falling due within one year	12	(8,589,706)		(8,643,966)	
NET CURRENT ASSETS			<u>1,479,254</u>		<u>1,336,531</u>
NET ASSETS			<u>3,109,140</u>		<u>3,022,218</u>
CAPITAL AND RESERVES					
Share capital	13		86,430		86,430
Profit and loss account	14		3,022,710		2,935,788
EQUITY SHAREHOLDERS' FUNDS	15		<u>3,109,140</u>		<u>3,022,218</u>

The financial statements on pages 5 to 16 were approved by the board of directors on 29 March 2005

D.J. Coleman - Director



A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

1 ACCOUNTING POLICIES

(a) *Basis of accounting*

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules. The company is a wholly owned subsidiary undertaking and as such has utilised the exemptions provided by Financial Reporting Standard No. 1 and has not prepared a cash flow statement. The cash flows of the company are included in the consolidated cash flow statement of its ultimate parent company, Bloomsbury Publishing Plc.

As the company is a wholly owned subsidiary company of Bloomsbury Publishing Plc, consolidated financial statements have not been prepared. The financial statements therefore present information about the company as an individual entity and not about its group.

(b) *Turnover*

Turnover represents amounts invoiced to customers for goods supplied, advertising income, royalties and commission receivable for the year. Turnover excludes value added tax.

(c) *Tangible fixed assets*

Tangible fixed assets are depreciated at the following rates on a straight-line basis:-

Office equipment	-	10% - 20%
Motor vehicles	-	25%

The above rates are estimated to write off the cost of tangible fixed assets, less any residual value, over their useful lives. A full charge is made in the year of acquisition and no charge in the year of disposal.

(d) *Goodwill*

Goodwill, being the excess of the cost of acquisition over the fair value of the net assets acquired, is capitalised and written off over a period not exceeding 20 years.

(e) *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost, which has been determined by the first in first out method, includes all direct costs of production.

(f) *Deferred taxation*

Provision is made for deferred taxation on all timing differences between profit as disclosed in the financial statements and as computed for taxation purposes. The provision is made at the rate of corporation tax expected to apply when the timing differences are expected to reverse. Deferred tax assets are only included in the financial statements where recovery is more likely than not. Deferred taxation is measured on a non-discounted basis.

(g) *Pensions*

The pension cost charge represents contributions payable to the separately administered defined contribution pension schemes. Details of the company's defined benefit scheme, the accrual of benefits having ceased in 1997, are contained in note 5.

(h) *Foreign currencies*

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at the rates ruling at the balance sheet date.

Exchange differences are included in operating profit.

(i) *Operating leases*

The total amount payable or receivable is charged or credited to the profit and loss account evenly throughout the terms of the leases.

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

2	TURNOVER AND OPERATING PROFIT	2004 £'000	2003 £'000
	Turnover		
	By destination		
	United Kingdom	9,420	8,593
	Rest of Europe	514	619
	The Americas	739	861
	Australasia	190	175
	Africa	300	94
	Asia	85	147
		<u>11,248</u>	<u>10,489</u>
		£	£
	Operating profit is stated after charging (crediting):		
	Auditors' remuneration - audit	27,000	29,200
	- other services	14,225	13,725
	Depreciation of tangible fixed assets	137,472	143,144
	Goodwill amortisation	-	431,226
	Staff costs (see note 3)	2,946,200	3,201,202
	Operating leases - rent payable	320,091	315,315
	Profit on disposal of tangible fixed assets	(3,036)	(4,506)
	Loss (profit) on exchange	9,352	(14,860)
	Rent receivable	(22,850)	-
		<u></u>	<u></u>
	In addition to the amounts shown above the company's auditors, Baker Tilly, charged £Nil (2003: £15,000) in respect of due diligence work on acquisitions of subsidiary companies and businesses. These fees have been added to the cost of investment in subsidiary companies or goodwill.		
3	DIRECTORS AND EMPLOYEES	2004 £	2003 £
	Staff costs (including directors' emoluments)		
	Wages and salaries	2,533,841	2,741,070
	Social security costs	291,935	287,519
	Other pension costs (see note 5)	120,424	172,613
		<u>2,946,200</u>	<u>3,201,202</u>
		Number	Number
	Average number of employees in the year analysed by category:		
	Editorial	46	53
	Sales	11	10
	Rights	2	2
	Publicity and marketing	9	10
	Production	7	7
	Finance	8	14
	Administration	9	8
	Customer services	5	13
	Distribution	6	-
		<u>103</u>	<u>117</u>

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

3	DIRECTORS AND EMPLOYEES (continued)	2004	2003
		£	£
	Directors' emoluments (excluding pension contributions):		
	For management	664,278	717,332
	Highest paid director	157,659	158,852
	Pension contributions:		
	All directors	58,369	56,233
	Highest paid director	11,995	11,500

In addition, the financial statements include compensation for loss of office totalling £185,960 (2003: £Nil) in respect of two (2003: No) directors.

Nine (2003: Nine) directors were accruing benefits during the year under defined contribution pension arrangements.

4	INTEREST PAYABLE	2004	2003
		£	£
	Loan interest payable to ultimate parent company	90,986	43,893
	Bank interest	9,480	-
		100,466	43,893

5 PENSIONS

The company operates a group money purchase scheme. In the year to 31 December 2004 pension costs amounted to £120,424 (2003: £172,613).

Additional disclosures regarding defined benefit pension schemes are required under the transitional provisions of FRS 17 "Retirement Benefits" and these are set out below. The disclosures relate to the fourth year of the transitional provisions. Disclosures relating to the defined benefit scheme set out below have not been incorporated into the accounts, but provide information that will be necessary for full implementation of FRS 17 in the year ending 31 December 2005.

The company operates a defined benefit scheme for some staff. Accrual of benefits ceased in 1997, with the scheme now being operated as a closed fund. A full actuarial valuation was carried out as at 1 January 2004 and updated to 31 December 2004 by a qualified independent actuary.

At the date of the last completed independent actuarial valuation, which was 1 January 2004, the market value of the assets of the scheme was £359,000. The actuary advised that at that date the actuarial valuation of the assets of the scheme was sufficient to cover 69% of the benefits that had accrued to members, after allowing for expected increases in earnings. The scheme is actuarially valued every three years. The next valuation of the scheme is due at 1 January 2007.

No contributions are currently being paid to the scheme, other than to cover expenses. Contributions are paid by the employer as and when required to cover any expenses of the scheme.

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

5 PENSIONS (continued)

The major assumptions used by the actuary for the update at 31 December 2004 were as follows:

	2004	2003	2002	2001
Rate of increase in salaries	n/a	n/a	n/a	n/a
Rate of increase in pensions in payment	0.00%	0.00%	0.00%	0.00%
Discount rate	5.30%	5.40%	5.40%	5.75%
Inflation assumption	2.90%	2.90%	2.40%	2.70%
Revaluation rate for deferred pensioners	2.90%	2.90%	2.40%	2.70%

The assets of the scheme and the expected rate of return were:	Value at 31 December 2004 £'000	Long-term rate of return	Value at 31 December 2003 £'000	Long-term rate of return	Value at 31 December 2002 £'000	Long-term rate of return	Value at 31 December 2001 £'000	Long-term rate of return
Total value of assets (with profit policy)	359	3.8%p.a.	359	3.8% p.a.	352	6.5% p.a.	381	7.0% p.a.
Present value of scheme liabilities	(461)		(451)		(404)		(418)	
Deficit before taxation	(102)		(92)		(52)		(37)	
Deferred taxation	31		27		16		11	
Deficit after taxation	(71)		(65)		(36)		(26)	

The net assets of the company and the analysis of the company's distributable reserves including the defined benefit pension scheme deficit would be as follows:

	2004 £'000	2003 £'000	2002 £'000	2001 £'000
Net assets excluding pension liability	3,109	3,022	2,627	2,503
Pension liability	(71)	(65)	(36)	(26)
Net assets including pension liability	3,038	2,957	2,591	2,477
Profit and loss reserve excluding pension liability	3,023	2,936	2,541	2,417
Pension reserve	(71)	(65)	(36)	(26)
Profit and loss reserve including pension liability	2,952	2,871	2,505	2,391

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

5 PENSIONS (continued)

Analysis of the amount that would be charged to operating profit:	2004 £'000	2003 £'000	2002 £'000
Current service cost	10	9	9
Past service cost	-	-	-
Curtailments and settlements cost	-	-	-
Total operating charge	10	9	9

As the scheme is closed, the current service cost is likely to rise in future years as members approach retirement.

Analysis of the amount that would be charged to other finance income:	2004 £'000	2003 £'000	2002 £'000
Expected return on pension scheme assets	13	23	25
Interest on pension scheme liabilities	(24)	(22)	(23)
Net return	(11)	1	2

Analysis of the amount that would be recognised in the statement of total recognised gains and losses (STRGL):	2004 £'000	2003 £'000	2002 £'000
Actual return less expected return on pension scheme assets	(2)	(16)	(5)
Experience gains and losses arising on the scheme's liabilities	11	(3)	3
Changes in assumptions underlying the present value of the scheme's liabilities	(8)	(22)	(15)
Actuarial loss recognised in STRGL	1	(41)	(17)

Movement in surplus during the year was as follows:	2004 £'000	2003 £'000	2002 £'000
Deficit in scheme at beginning of the year before taxation	(92)	(52)	(37)
Movement in year:			
Current service cost	(10)	(9)	(9)
Contributions	10	9	9
Past service cost	-	-	-
Curtailments and settlements costs	-	-	-
Other finance income (expenditure)	(11)	1	2
Actuarial gain (loss)	1	(41)	(17)

Deficit in scheme at end of the year before taxation	(102)	(92)	(52)
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The disclosures required by paragraph 86 of FRS 17 are as follows:	2004	2003	2002
Difference between the expected and actual return on scheme assets:			
Amount (£'000)	(2)	(16)	(5)
Percentage of scheme assets	(1%)	(4%)	(1%)
Experience gains and losses on scheme liabilities:			
Amount (£'000)	11	(3)	3
Percentage of the present value of the scheme liabilities	3%	(1%)	(1%)
Total amount recognised in statement of total recognised gains and losses:			
Amount (£'000)	1	(41)	(17)
Percentage of the present value of the scheme liabilities	0%	(9%)	(4%)

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

6	TAXATION	2004 £	2003 £
(a)	Analysis of tax charge for the year		
	UK corporation tax on profit on ordinary activities at 30% (2003 - 30%)	70,000	165,000
	Adjustment in respect of prior years	3,012	(37,927)
		<u>73,012</u>	<u>127,073</u>
	Deferred taxation	(41,000)	3,000
		<u>32,012</u>	<u>130,073</u>
(b)	Factors affecting tax charge for the year	2004 £	2003 £
	The tax assessed for the year is higher (2003: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below:		
	Profit on ordinary activities before tax	<u>118,934</u>	<u>525,095</u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	35,680	157,529
	Effects of:		
	Expenses not deductible for tax purposes	7,155	6,188
	Difference between depreciation and capital allowances	7,710	2,233
	Marginal rate relief	-	(950)
	Group relief	(1,500)	-
	Expenses deductible for tax purposes in different years	20,955	-
	Adjustment to tax charge in respect of previous years	3,012	(37,927)
		<u>73,012</u>	<u>127,073</u>

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

7	INTANGIBLE FIXED ASSETS			Goodwill £
	Cost			
	1 January 2004 and 31 December 2004			1,325,624
	Amortisation			
	1 January 2004 and 31 December 2004			1,325,624
	Net book amount			
	31 December 2004 and 31 December 2003			-
8	TANGIBLE FIXED ASSETS	Office equipment £	Motor vehicles £	Total £
	Cost			
	At 1 January 2004	1,008,725	244,566	1,253,291
	Additions	52,537	26,633	79,170
	Disposals	(6,467)	(43,410)	(49,877)
	At 31 December 2004	1,054,795	227,789	1,282,584
	Depreciation			
	At 1 January 2004	805,344	136,080	941,424
	Charge for the year	90,471	47,001	137,472
	Disposals	(5,407)	(40,206)	(45,613)
	At 31 December 2004	890,408	142,875	1,033,283
	Net book amount			
	At 31 December 2004	164,387	84,914	249,301
	At 31 December 2003	203,381	108,486	311,867

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

9 INVESTMENTS

	£
Shares in subsidiary undertaking at cost	
1 January 2004	1,373,820
Addition	6,765
31 December 2004	<u>1,380,585</u>

The addition represents an adjustment to the cost of acquisition of the whole of the issued share capital of Reed's Almanac Limited, acquired in December 2003, which is the only subsidiary of the company. Reed's Almanac Limited is a dormant company incorporated in Great Britain and registered in England and Wales.

10 STOCKS

	2004 £	2003 £
Work in progress	700,321	1,092,245
Books and printed sheets	2,902,410	2,898,641
	<u>3,602,731</u>	<u>3,990,886</u>

11 DEBTORS

	2004 £	2003 £
Amounts falling due within one year		
Trade debtors	3,703,442	3,747,081
Amounts due from group companies	355,996	318,372
Corporation tax recoverable	170,260	122,260
Deferred tax asset (i)	59,000	18,000
Other debtors	77,049	44,400
Prepayments and accrued income	1,324,784	1,430,029
	<u>5,690,531</u>	<u>5,680,142</u>

(i) The deferred tax asset comprises the following:

	Fixed asset timing differences £	Short term timing differences £	Total £
1 January 2004	20,000	(2,000)	18,000
Profit and loss account	7,800	33,200	41,000
31 December 2004	<u>27,800</u>	<u>31,200</u>	<u>59,000</u>

The deferred tax asset is included in the financial statements at a corporation tax rate of 30%.

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

12	CREDITORS	2004 £	2003 £
	Amounts falling due within one year		
	Loan notes	-	675,000
	Trade creditors	1,285,224	1,445,403
	Amounts owed to group companies	6,058,563	4,473,419
	Corporation tax payable	-	20,000
	Other taxation and social security	73,316	62,698
	Other creditors	90,460	45,091
	Accruals and deferred income	1,082,143	1,922,355
		<u>8,589,706</u>	<u>8,643,966</u>
13	SHARE CAPITAL	2004 £	2003 £
	Authorised		
	Ordinary shares of £1 each	14,000	14,000
	Deferred shares of £1 each	86,000	86,000
		<u>100,000</u>	<u>100,000</u>
	Allotted, called up and fully paid		
	Ordinary shares of £1 each	430	430
	Deferred shares of £1 each	86,000	86,000
		<u>86,430</u>	<u>86,430</u>
14	PROFIT AND LOSS ACCOUNT		£
	1 January 2004		2,935,788
	Retained profit for the year		86,922
	31 December 2004		<u>3,022,710</u>
15	RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS	2004 £	2003 £
	1 January 2004	3,022,218	2,627,196
	Retained profit for the year	86,922	395,022
	31 December 2004	<u>3,109,140</u>	<u>3,022,218</u>

A & C Black Publishers Limited

NOTES ON FINANCIAL STATEMENTS

31 December 2004

16 TRANSACTIONS WITH DIRECTORS

At no time during the year has any director had any material interest in any contract with the company, being a contract of significance in relation to the company's business.

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following payments falling due within one year of the balance sheet date:

Number of years from the balance sheet date in which leases expire:	Land and buildings	
	2004	2003
	£	£
More than five	91,400	80,000

The company is a party to a cross guarantee in respect of the bank borrowings of certain group undertakings.

18 RELATED PARTIES

The company has taken advantage of the exemption offered by Financial Reporting Standard No. 8 not to disclose intra-group transactions in the financial statements of a subsidiary where 90% of the voting rights are controlled within the group.

19 CONTINGENT LIABILITIES

There is a contingent liability for the value added tax of certain other group companies under a group registration. At 31 December 2004 there was no potential liability under the terms of the registration (2003: £Nil).

20 ULTIMATE PARENT COMPANY

The ultimate parent company is Bloomsbury Publishing Plc, which is incorporated in Great Britain and registered in England and Wales. Copies of the financial statements of Bloomsbury Publishing Plc may be obtained from The Company Secretary, Bloomsbury Publishing Plc, 38 Soho Square, London W1D 3HB.