

WILDY & SONS LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2004

Registered Number 348459



WILDY & SONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 2004

The directors present their annual report with the accounts for the year ended 31st December 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of law booksellers.

REVIEW OF THE BUSINESS

The sales have continued to grow by about 14% as in previous years due to a strong demand for legal books. The directors expect the sales in the next year to continue to increase at this rate. The warehouse has been sold and a new warehouse purchased as set out in note 1 to the accounts and the shop in Lincolns Inn has been refurbished during 2005. The second hand books at the old warehouse have been sorted out and any obsolete books have been destroyed.

DIRECTORS

The directors who served during the year and their beneficial interest in the issued share capital were as follows:

	Ordinary Shares	
	01.01.2004	31.12.2004
J. W. Sinkins	4,950	4,950
R. E. Heywood	50	50

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing the accounts the directors are required to:

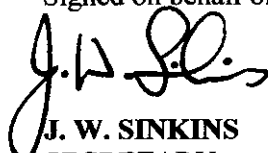
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The Auditors, Beales & Co, have expressed their willingness to continue in office and offer themselves for re-election in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the board of directors on 21st October 2005


J. W. SINKINS
SECRETARY

INDEPENDANT AUDITORS REPORT TO THE SHAREHOLDERS
OF WILDY & SONS LIMITED

We have audited the financial statements for the year ended 31st December 2004 set out on pages 3 to 9 which have been prepared in accordance with the accounting policies set out on page 6.

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 AUDITOR

As described in the Statement of Directors Responsibilities on page 1, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom 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 judgments made by the directors in the preparation of the financial statements, and 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 31st December 2004 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Beales & Co

BEALES & CO
Chartered Accountants
Registered Auditor

Oaken Coppice, Bears Den
Kingswood, Surrey, KT20 6PL
21st October 2005

WILDY & SONS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2004

	<u>NOTES</u>	<u>2004</u>	<u>2003</u>
Turnover		4,061,608	3,559,110
Cost of Sales		3,199,058	2,826,810
GROSS PROFIT		862,550	732,300
Administration Expenses		708,416	613,462
OPERATING PROFIT	2	154,134	118,838
Interest Received		1,003	170
Interest Paid		(25,076)	(28,191)
PROFIT on ordinary activities before taxation		130,061	90,817
Taxation	8	(24,451)	(18,972)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		105,610	71,845
Dividend Paid		(3,600)	(3,600)
RETAINED PROFIT at 1st January 2004		102,010	68,245
		493,233	424,988
RETAINED PROFIT at 31st December 2004		£595,243	£593,233

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

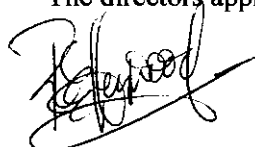
The company has no recognised gains or losses other than the results for the above two financial years.

WILDY & SONS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2004

	<u>NOTES</u>	<u>2004</u>	<u>2003</u>
FIXED ASSETS			
Tangible Assets	9	301,029	295,973
INVESTMENTS	11	50	50
CURRENT ASSETS			
Stock	1	951,527	883,485
Debtors	3	757,657	644,106
Cash at Bank		11,789	11,456
		<hr/>	<hr/>
		1,720,973	1,539,047
CREDITORS			
Due within one year	4	1,171,246	1,056,134
		<hr/>	<hr/>
NET CURRENT ASSETS		549,727	482,913
		<hr/>	<hr/>
		850,806	778,936
CREDITORS			
Due after one year	5	(250,563)	(280,703)
		<hr/>	<hr/>
NET ASSETS		£600,243	£498,233
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Share Capital	6	5,000	5,000
Profit and Loss Account		595,243	493,233
		<hr/>	<hr/>
		£600,243	£498,233
		<hr/>	<hr/>

The directors approved the accounts on 21st October 2005



R. HEYWOOD
Director

WILDY & SONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2004

	2004	2003
CASH GENERATED FROM OPERATIONS		
OPERATING PROFIT	154,134	118,838
RECONCILIATION TO CASH GENERATED FROM OPERATIONS		
Depreciation	4,068	4,184
(Increase) Decrease in stocks	(68,042)	(45,728)
(Increase) in debtors	(113,551)	(104,936)
Increase in trade creditors	151,477	161,261
(Decrease) in other creditors	(4,120)	(18,378)
	<u>(30,168)</u>	<u>(3,597)</u>
CASH FROM OTHER SOURCES		
Interest received	1,003	170
Hire Purchase Loan	31,366	-
	<u>32,369</u>	<u>170</u>
APPLICATION OF CASH		
Interest paid	(25,076)	(28,191)
Tax paid	(18,209)	(18,433)
Fixed Assets Purchased	(9,124)	-
Dividends paid	(3,600)	(3,600)
Repayment of amounts borrowed	(53,112)	(46,884)
	<u>(109,121)</u>	<u>(97,108)</u>
NET INCREASE IN CASH	47,214	18,303
Cash at bank and in hand less overdraft at the beginning of the year	<u>(99,378)</u>	<u>(117,681)</u>
Cash at bank and in hand less overdraft at the end of the year	<u>£(52,164)</u>	<u>£(99,378)</u>
Consisting of		
Cash at bank and in hand	11,789	11,456
Overdraft falling due within one year	(63,953)	(110,834)
	<u>£(52,164)</u>	<u>£(99,378)</u>

WILDY & SONS LIMITED

NOTES TO ACCOUNTS YEAR ENDED 31ST DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover is attributable to the principal activity of the company, the majority of which arose in the United Kingdom. However a small percentage of sales were made to several countries around the world with the West Indies being the largest of these.

Tangible Fixed Assets

Depreciation is provided at the following rates to write off each asset over its estimated useful life.

Plant and Equipment	20% on w.d.v
Freehold	Nil

Stock

Stock is valued at the lower of cost or net realisable value.

Pensions

The company operates a defined contribution scheme. Contributions paid in the year are charged to profit and loss account. The pension schemes assets are held separately from the company.

Deferred Taxation

Deferred tax is provided using the full provision method. Deferred tax is recognised in respect of the timing differences, which have originated but not reversed at the balance sheet date. It is the company's policy not to discount deferred tax to reflect the time value of money.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2004	2003
Depreciation	4,068	4,184
Hire Purchase Interest	373	-
Audit fee	15,690	13,720
Directors Remuneration	78,332	74,594
Directors Pension Costs for 2 directors	6,500	6,500
Employee Pension Costs charge for the year	33,430	27,420
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3. DEBTORS

Trade Debtors	712,434	611,403
Other Debtors	27,598	10,847
Prepayments	17,625	21,856
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	£757,657	£644,106
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WILDY & SONS LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31ST DECEMBER 2004

	2004	2003
4. CREDITORS Due within one year		
Bank Overdraft	63,953	110,834
Trade Creditors	997,896	846,419
Other Creditors	29,641	33,761
Other Loans	55,394	47,000
Corporation Tax	24,362	18,120
	<hr/>	<hr/>
	£1,171,246	£1,056,134
5. CREDITORS Due after one year		
Bank Loan	212,643	258,649
Hire Purchase Loan	16,457	-
Director's Loan Account	21,463	22,054
	<hr/>	<hr/>
	£250,563	£280,703
<p>The bank overdraft and loans are secured on the following A debenture over the Company's Fixed and Floating Assets, incorporating a first legal charge over the properties at 16 Gipsy Hill and 58/59 Carey Street. A personal guarantee from Mr J Sinkins of £230,000</p>		
Debt due after more than one year		
Repayable between 1-2 years	50,000	45,000
Repayable between 2-5 years	104,237	111,131
Repayable in over 5 years	58,406	102,518
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	£212,643	£258,649
6 CALLED UP SHARE CAPITAL		
Authorised, allotted and fully paid 5,000 shares of £1 each	£5,000	£5,000
	<hr/>	<hr/>
7 RECONCILIATION OF MOVEMENT ON SHAREHOLDER FUNDS		
Profit for the year after taxation	102,010	68,245
Opening Shareholder funds at 1.1.04	498,233	429,988
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Closing Shareholder funds at 31.12.04	£600,243	£498,233
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WILDY & SONS LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31ST DECEMBER 2004

	2004	2003
8. TAXATION		
Provision for year	24,362	18,120
Under provision for previous year	89	852
	<hr/>	<hr/>
	£24,451	£18,972
	<hr/>	<hr/>
Factors Affecting Tax Charge For The Year		
The tax assessed for the year is different than the standard rate of corporation tax in the UK. The differences are explained below:		
Profit on ordinary activities before taxation	£130,061	£90,817
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Current Tax:		
Profit on ordinary activities multiplied by the standard rate of corporation tax payable in the UK at 19% (2003: 19%)	24,711	17,255
Expenses not deductible for tax purposes	-	410
Capital allowances in (excess) deficit of depreciation	(349)	455
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Current tax charge	£24,362	£18,120
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The deferred tax liability at 31st December 2004 is £1,185. The directors have not provided for this, as they do not consider it will materially affect the accounts.

9 TANGIBLE FIXED ASSETS	Investment Land & Buildings	Other Land & Buildings	Equipment	Total
COST OR VALUATION				
At 1st January 2004	275,244	9,120	101,800	386,164
Additions	-	-	9,124	9,124
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 2004	275,244	9,120	110,924	395,288
DEPRECIATION				
At 1st January 2004	-	-	90,191	90,191
Charge for the year	-	-	4,068	4,068
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st December 2004	-	-	94,259	94,259
NET BOOK VALUES				
At 31st December 2004	275,244	9,120	16,665	301,029
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At 1st January 2004	275,244	9,120	11,609	295,973
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WILDY & SONS LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31ST DECEMBER 2004

9. TANGIBLE FIXED ASSETS (Continued)

The Investment Building was revalued on 23rd January 2002 at £260,000 by Freeth Melhuish Associates. As the original cost was £266,667 the directors are of the opinion that the reduction in the valuation is not material enough to adjust the cost included in the financial statements.

The other building, which is a warehouse for second hand books, has been reduced to its original cost of £9,120 under the transitional arrangements of FRS15. The building was revalued on 29th August 2001 by Stiles Harold Williams at £90,000. As the building is over one hundred years old the directors have not provided depreciation on this as it is not material. This property has been sold on 29th June 2005.

10 POST BALANCE SHEET EVENTS

The company has sold its warehouse, at Gipsy Hill, of £425,000 on 29th June 2005. The tax due on this sale will be in the region of £33,000.

The company has purchased another warehouse for £185,000 on 29th June 2005.

11 INVESTMENT

This relates to a 50% holding in Simmonds & Hill Publishing Limited, being 50 ordinary shares of £1 each.

Group accounts have not been prepared because the subsidiary figures are immaterial.

The company has not traded in the period ended 31st December 2004 and has a deficiency of capital at that date of £2,857.

12 OBLIGATIONS UNDER OPERATING LEASES

At the year end, the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	Leasehold Property		Other	
	2004	2003	2004	2003
Amounts payable on leases expiring:				
Within one year	23,000	23,000	4,632	-
Between two and five years	11,400	34,400	-	4,632
In more than five years	-	-	-	-

13 CONTROLLING PARTY

The company is controlled by Mr J. Sinkins through his holding of 4,950 shares in the company.