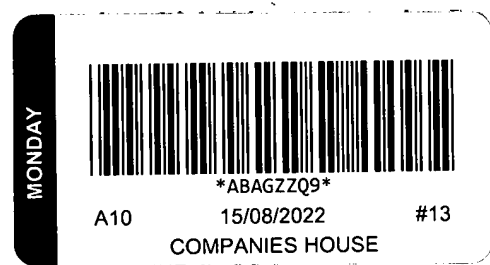


Registered number: 00348459

WILDY AND SONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021



RPG CROUCH CHAPMAN LLP
Chartered Accountants
5th Floor
14-16 Dowgate Hill
London
EC4R 2SU

WILDY AND SONS LIMITED

COMPANY INFORMATION

Directors	David Beales (resigned 31 July 2021) Steven Ross Abigail Constance Sinkins Inderjit Sinkins John William Sinkins
Company secretary	John Sinkins
Registered number	00348459
Registered office	Lincolns Inn Archway Carey Street London WC2A 2JD
Independent auditors	RPG Crouch Chapman LLP Chartered Accountants & Statutory Auditors 5th Floor 14-16 Dowgate Hill London EC4R 2SU

WILDY AND SONS LIMITED

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WILDY AND SONS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their strategic report of the company for the year ended 31st December 2021.

Business review

The impact of Covid-19 has reduced the company's turnover but the directors consider that the performance in the year was satisfactory given the difficult economic environment.

The dividend paid was £159,926 for the year (2020: £108,000).

Principal risks and uncertainties

The company is continuing to put service to its customers as its prime objective and will incur additional technological costs to enable this to continue to enhance the reputation of the business.

There are no risks on foreign exchange as sales abroad are primarily paid in sterling. Sales to the European Union countries are not material to the business and therefore it is not considered that the vote to leave the Union will have a material effect on the business.

Coronavirus Pandemic

The protection of our customers and team members has been our key priority and the business moved decisively putting in place early safeguarding measures to ensure their ongoing protection. The Company has ensured that it will be well positioned to manage any challenges which may arise. These protections include approaching cash expenditure with a reduced risk appetite and taking steps to ensure there is headroom on the company's working capital requirements.

The company has adapted its operations to meet the changing requirements of its customers and is well positioned to exploit new opportunities as lockdown eases.

Financial key performance indicators

The company has used the following indicators of performance to assess its development against its financial objectives during the year ended 31 December 2021.

Profitability. The company made a pre-tax profit of £313,798 compared with a pre tax profit of £107,534 in the prior year.

Cash at bank decreased from £1,991,890 to £1,853,365 during the year.

This report was approved by the board on 21st July 2022 and signed on its behalf.



Steven Ross
Director

WILDY AND SONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £215,900 (2020 - £58,638).

Dividends of £159,926 (2020: £108,000) were paid during the year.

Directors

The directors who served during the year were:

David Beales (resigned 31 July 2021)
Steven Ross
Abigail Constance Sinkins
Inderjit Sinkins
John William Sinkins

Future developments

The company continues to expand its share of both the UK and overseas markets.

WILDY AND SONS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, RPG Crouch Chapman LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21st July 2022 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'S. ROSS', with a stylized flourish at the end.

**Steven Ross
Director**

WILDY AND SONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILDY AND SONS LIMITED

Opinion

We have audited the financial statements of Wildy and Sons Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WILDY AND SONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILDY AND SONS LIMITED (CONTINUED)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

In our evaluation of the director's conclusions, we considered the risks associated with the Company's business model, including effects arising from macro-economic uncertainties such as COVID-19 and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgement that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

WILDY AND SONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILDY AND SONS LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

WILDY AND SONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILDY AND SONS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit to detect irregularities including fraud

We gained an understanding of the legal and regulatory framework applicable to the group and the industry in which it operates, and considered the risk of acts by the group which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006 and FRS102.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations

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.

WILDY AND SONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILDY AND SONS LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RPG Crouch Chapman LLP

Steven Johnson BENG (HONS) FCCA (Senior statutory auditor)

for and on behalf of
RPG Crouch Chapman LLP

Chartered Accountants
Statutory Auditors

5th Floor
14-16 Dowgate Hill
London
EC4R 2SU

Date: *8 August 2022*

WILDY AND SONS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	13,430,193	13,742,666
Cost of sales		(11,115,100)	(11,845,552)
Gross profit		2,315,093	1,897,114
Administrative expenses		(2,071,148)	(2,063,736)
Other operating income	5	95,182	317,447
Operating profit		339,127	150,825
Interest receivable and similar income	9	-	1,610
Interest payable and similar expenses	10	(25,329)	(44,901)
Profit before tax		313,798	107,534
Tax on profit	11	(97,898)	(48,896)
Profit for the year		215,900	58,638

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 13 to 29 form part of these financial statements.

WILDY AND SONS LIMITED
REGISTERED NUMBER: 00348459

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	1,137,994	1,300,566
Tangible assets	13	1,321,841	1,315,203
		<u>2,459,835</u>	<u>2,615,769</u>
Current assets			
Stocks	14	996,313	983,767
Debtors: amounts falling due within one year	15	953,197	1,508,470
Cash at bank and in hand	16	1,853,365	1,991,890
		<u>3,802,875</u>	<u>4,484,127</u>
Creditors: amounts falling due within one year	17	(3,201,231)	(4,796,933)
Net current assets/(liabilities)		<u>601,644</u>	<u>(312,806)</u>
Total assets less current liabilities		<u>3,061,479</u>	<u>2,302,963</u>
Creditors: amounts falling due after more than one year	18	(702,542)	-
Provisions for liabilities			
Deferred tax	21	(161,454)	(161,454)
		<u>(161,454)</u>	<u>(161,454)</u>
Net assets		<u>2,197,483</u>	<u>2,141,509</u>
Capital and reserves			
Called up share capital	22	4,950	4,950
Revaluation reserve	23	849,755	849,755
Profit and loss account	23	1,342,778	1,286,804
		<u>2,197,483</u>	<u>2,141,509</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21st July 2022



Steven Ross
Director

The notes on pages 13 to 29 form part of these financial statements.

WILDY AND SONS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	4,950	849,755	1,286,804	2,141,509
Comprehensive income for the year				
Profit for the year	-	-	215,900	215,900
Dividends: Equity capital	-	-	(159,926)	(159,926)
At 31 December 2021	<u>4,950</u>	<u>849,755</u>	<u>1,342,778</u>	<u>2,197,483</u>

The notes on pages 13 to 29 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	4,950	849,755	1,336,166	2,190,871
Comprehensive income for the year				
Profit for the year	-	-	58,638	58,638
Dividends: Equity capital	-	-	(108,000)	(108,000)
At 31 December 2020	<u>4,950</u>	<u>849,755</u>	<u>1,286,804</u>	<u>2,141,509</u>

The notes on pages 13 to 29 form part of these financial statements.

WILDY AND SONS LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	1,991,890	(138,525)	1,853,365
Debt due after 1 year	-	(821,659)	(821,659)
Debt due within 1 year	(1,106,147)	1,106,147	-
	<u>885,743</u>	<u>145,963</u>	<u>1,031,706</u>

The notes on pages 13 to 29 form part of these financial statements.

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Wildy and Sons Limited is a limited liability company incorporated in England and Wales, the company number is 00348459.

The principal activity of the company in the year under review continued to be that of being law booksellers.

The registered office is Lincolns Inn Archway, Carey Street, London, WC2A 2JD.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 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:

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

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;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The company derives revenue from two sources: books and subscriptions

Book sales revenue is recognised when the books are despatched or bought in store.

Subscription revenue is recognised when the subscription order is accepted by third party suppliers who arrange despatch of goods and online access of materials (where relevant). Costs associated with the subscription are recognised in such way as to ensure that the matching principle is adhered to. The Directors consider that this process ensures that the financial statements give a true and fair view.

Prepaid subscriptions are not recognised in line with the subscription period as the Directors consider that they have transferred the significant risk and rewards of ownership to the customer at the date of the subscription being accepted by the third party supplier who in the normal course of events meet all the requirements of the customer in relation to their subscription.

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

Other 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.

2.4 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.

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

Depreciation is provided on the following basis:

Freehold property	- Not depreciated
L/Term Leasehold Property	- Over length of lease
Plant & machinery	- 25% Straight line
Furniture	- 10% Straight Line

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 profit or loss.

The directors have decided not to depreciate the Freehold property because in their opinion its useful life exceeds 50 years and the residual value is very high, such that any depreciation charge would be immaterial. An impairment review is carried out annually.

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Stock

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.

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.

2.7 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.

2.8 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.

2.9 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 and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Financial instruments (continued)

each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable (debtors) and payable, (creditors) are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables (trade creditors) or receivables (trade debtors), are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.10 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.

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.

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP. All amounts have been rounded to the nearest £.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.13 Finance costs

Finance costs are charged to profit or loss 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.

2.14 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.15 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 profit or loss 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.

2.16 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.17 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.18 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 profit or loss 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.

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors have established a consistently applied method of valuing stock at cost based on average mark-up. Provision is made for all stock where realisable value is less than cost.

4. Turnover

The whole of the turnover is attributable to the sale of law books and online subscriptions.

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	11,506,313	12,348,226
Rest of the world	1,923,880	1,394,440
	<u>13,430,193</u>	<u>13,742,666</u>

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Other operating income

	2021 £	2020 £
Government grants receivable	95,182	317,447
	<u>95,182</u>	<u>317,447</u>

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	12,500	11,600
	<u>12,500</u>	<u>11,600</u>
	<u>-</u>	<u>-</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

	2021 £	2020 £
Wages and salaries	1,211,455	1,171,675
Social security costs	133,642	124,963
Cost of defined contribution scheme	135,162	112,613
	<u>1,480,259</u>	<u>1,409,251</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Sales and marketing	27	35
Directors	5	5
	<u>32</u>	<u>40</u>

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	198,732	169,628
Company contributions to defined contribution pension schemes	92,775	15,450
	<u>291,507</u>	<u>185,078</u>

During the year retirement benefits were accruing to no directors (2020 - 1) in respect of defined contribution pension schemes.

9. Interest receivable

	2021 £	2020 £
Other interest receivable	-	1,610
	<u>-</u>	<u>1,610</u>

10. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	25,329	44,901
	<u>25,329</u>	<u>44,901</u>

11. Taxation

	2021 £	2020 £
<u>Corporation tax</u>		
Current tax on profits for the year	97,898	48,896
	<u>97,898</u>	<u>48,896</u>
<u>Total current tax</u>	<u>97,898</u>	<u>48,896</u>
<u>Deferred tax</u>		
<u>Total deferred tax</u>	<u>-</u>	<u>-</u>
<u>Taxation on profit on ordinary activities</u>	<u>97,898</u>	<u>48,896</u>

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	313,798	107,534
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	59,622	20,431
<u>Effects of:</u>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	9,374	(3,753)
Capital allowances for year in excess of depreciation	(1,987)	1,329
Other differences leading to an increase (decrease) in the tax charge	30,889	30,889
<u>Total tax charge for the year</u>	<u>97,898</u>	<u>48,896</u>

Factors that may affect future tax charges

There are no factors that may affect future tax charges.

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Intangible assets

	Goodwill £
<u>Cost</u>	
At 1 January 2021	1,625,706
At 31 December 2021	<u>1,625,706</u>
<u>Amortisation</u>	
At 1 January 2021	325,140
Charge for the year on owned assets	162,572
At 31 December 2021	<u>487,712</u>
<u>Net book value</u>	
At 31 December 2021	<u><u>1,137,994</u></u>
At 31 December 2020	<u><u>1,300,566</u></u>

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Tangible fixed assets

	Freehold property £	L/Term Leasehold Property £	Plant & machinery £	Total £
<u>Cost or valuation</u>				
At 1 January 2021	1,125,000	202,000	88,222	1,415,222
Additions	-	-	11,848	11,848
At 31 December 2021	1,125,000	202,000	100,070	1,427,070
<u>Depreciation</u>				
At 1 January 2021	-	25,409	74,610	100,019
Charge for the year on owned assets	-	1,616	3,594	5,210
At 31 December 2021	-	27,025	78,204	105,229
<u>Net book value</u>				
At 31 December 2021	1,125,000	174,975	21,866	1,321,841
At 31 December 2020	1,125,000	176,591	13,612	1,315,203

Cost or valuation at 31 December 2021 is as follows:

	Land and buildings £
<u>At cost</u>	477,245
<u>At valuation:</u>	
4 September 2018 Colliers International valuation uplift	849,755
	<u>1,327,000</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2021 £	2020 £
Cost	477,245	477,245
<u>Net book value</u>	<u>477,245</u>	<u>477,245</u>

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Stocks

	2021 £	2020 £
Finished goods and goods for resale	996,313	983,767
	<u>996,313</u>	<u>983,767</u>

15. Debtors

	2021 £	2020 £
Trade debtors	931,575	1,467,340
Other debtors	10,138	19,263
Prepayments and accrued income	11,484	21,867
	<u>953,197</u>	<u>1,508,470</u>

16. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,853,365	1,991,890
	<u>1,853,365</u>	<u>1,991,890</u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	119,117	1,105,000
Trade creditors	2,185,494	3,009,556
Corporation tax	97,898	48,896
Other taxation and social security	56,530	46,140
Other creditors	6,928	71,224
Accruals and deferred income	735,264	516,117
	<u>3,201,231</u>	<u>4,796,933</u>

The bank loan is secured by a fixed and floating charge over all assets of the company in favour of Royal Bank of Scotland plc, and a guarantee of £900,000 given by Wildy & Sons Holdings Limited.

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021 £	2020 £
Bank loans	702,542	-
	<u>702,542</u>	<u>-</u>

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2021 £	2020 £
Repayable by instalments	171,429	-
	<u>171,429</u>	<u>-</u>

19. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<u>Amounts falling due within one year</u>		
Bank loans	119,117	1,105,000
	<u>119,117</u>	<u>1,105,000</u>
<u>Amounts falling due 1-2 years</u>		
Bank loans	145,399	-
	<u>145,399</u>	<u>-</u>
<u>Amounts falling due 2-5 years</u>		
Bank loans	385,714	-
	<u>385,714</u>	<u>-</u>
<u>Amounts falling due after more than 5 years</u>		
Bank loans	171,429	-
	<u>171,429</u>	<u>-</u>
	<u>821,659</u>	<u>1,105,000</u>

WILDY AND SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Financial instruments

	2021 £	2020 £
<u>Financial assets</u>		
Financial assets measured at fair value through profit or loss	<u>1,853,365</u>	<u>1,991,890</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

21. Deferred taxation

	2021 £	2020 £
At beginning of year	(161,454)	(161,454)
<u>At end of year</u>	<u>(161,454)</u>	<u>(161,454)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Property revaluation	(161,454)	(161,454)
	<u>(161,454)</u>	<u>(161,454)</u>

22. Share capital

	2021 £	2020 £
<u>Allotted, called up and fully paid</u>		
4,950 (2020 - 4,950) Ordinary shares of £1.00 each	<u>4,950</u>	<u>4,950</u>

WILDY AND SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

23. Reserves

Revaluation reserve

The revaluation reserve details the increase in market value of freehold property over and above historic cost.

Profit & loss account

The profit and loss account reserve is comprised of accumulated profits and losses less dividends.

24. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £135,162 (2020: £112,613). Contributions totalling £57,487 (2020: £9,074) were payable to the fund at the balance sheet date and are included in creditors.

25. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	74,000	74,000
Later than 1 year and not later than 5 years	205,083	110,333
Later than 5 years	11,250	-
	<u>290,333</u>	<u>184,333</u>

26. Controlling party

Wildy & Sons Holdings Limited is the immediate and ultimate parent company. This company heads the smallest and largest group for which consolidated financial statements are prepared. A copy of the consolidated financial statements can be obtained from Companies House.

The ultimate controlling party is A Sinkins by virtue of her majority shareholding in the ultimate parent company.