

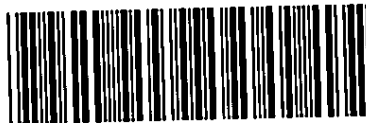
**USBORNE PUBLISHING LIMITED**

**REPORT AND ACCOUNTS**

**for the year ended**

**31 JANUARY 2009**

WEDNESDAY



\*LWS1SF9Q\*

LD6

25/11/2009

186

COMPANIES HOUSE

**USBORNE PUBLISHING LIMITED**

**DIRECTORS AND ADVISERS**

**DIRECTORS**

T.P. Usborne  
R.M. Robinson

**SECRETARY**

K.M. Ball

**REGISTERED OFFICE**

Usborne House  
83-85 Saffron Hill  
London EC1N 8RT

**BANKERS**

National Westminster Bank plc  
1 Princes Street  
London EC2R 8PA

**AUDITORS**

Nexia Smith & Williamson  
Chartered Accountants  
25 Moorgate  
London EC2R 6AY

**ACCOUNTANTS AND TAX ADVISERS**

Smith & Williamson  
Chartered Accountants  
25 Moorgate  
London EC2R 6AY

**SOLICITORS**

Davenport Lyons  
1 Old Burlington Street  
London W1X 1LA

**COMPANY'S REGISTERED NUMBER**

1124359

## **USBORNE PUBLISHING LIMITED**

<b>CONTENTS</b>	<b>Pages</b>
Directors' report	3 - 5
Statement of directors' responsibilities in respect of the accounts	6
Independent auditors' report	7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10 - 11
Notes to the accounts	12 - 21

## **USBORNE PUBLISHING LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the accounts of the company for the year ended 31 January 2009.

#### **Activities**

The principal activity of the company continued to be publishing.

#### **Review of business and future developments**

The company had a satisfactory year and, in the opinion of the directors, the state of the company's affairs and its future prospects are satisfactory.

The principal risks and uncertainties facing the company are considered to be:

- a) Demographic – falls in birth rates may affect the overall size of the markets in which the company operates.
- b) The company has to replace a certain proportion of its product list each year and, in a very competitive market, the new product may not be successful.
- c) A significant proportion of the company's product is sourced and sold overseas and costs and revenues are therefore at risk from adverse currency exchange movements.
- d) Books are a mature leisure market and have to compete with an ever-increasing electronic leisure sector, so publishing may attract a lower share of leisure expenditure.
- e) The major physical raw material is paper which can be subject to cyclical variation in availability and competing requirements from sectors other than book publishing.

The company reviews the following key performance indicators to aid assessment of the performance of the business:

#### **Financial:**

- a) Year on year turnover change is 11.06% in 2009 against 6.34% in 2008.
- b) Gross profit margin is 41.42% in 2009 against 44.51% in 2008.
- c) Return on capital is 22.45% in 2009 against 26.64% in 2008.
- d) Sales per employee are £199,311 in 2009 against £181,884 in 2008.
- e) Average salary per employee is £31,223 in 2009 against £29,171 in 2008.
- f) Current ratio of assets to liabilities is 3.71 in 2009 against 3.68 in 2008.
- g) Debtor collection period (in days) is 93.96 in 2009 against 89.82 in 2008.
- h) Stock turnover period (in months) is 8.19 in 2009 against 7.98 in 2008.

## **USBORNE PUBLISHING LIMITED**

### **DIRECTORS' REPORT**

#### **Review of business and future developments (continued)**

##### **Non-financial:**

- a) New titles added to list in year are 332 in 2009.
- b) Recycling of paper increased to 132,550 litres in 2009.
- c) Recycling of packaging increased in 2009 to 282 tons from 232 tons in 2008.
- d) Hazardous waste (IT equipment) of 1,320 kg compared with 2,000 kg in 2008 was recycled under the WEEE legislation in 2009.

#### **Results for the year and dividends**

The profit for the year after taxation was £3,371,851 (2008: £3,544,182). On 17 April 2009, the company declared and paid a dividend of £1,500,000 (2009: £1,500,000), of £1,106,250 (2008: £1,106,250) which was in respect of the 'A' ordinary shares and the balance of £393,750 (2008: £393,750) was in respect of the 'B' ordinary shares.

Due to the profitability of the business the company pays significant amounts in Corporation tax and Income tax. For the year ended 31 January 2009 total Corporation tax and Income tax payable is £3,518,900 (2008: £3,576,854).

#### **Financial risk management**

The principal current assets of the company are cash or assets that are converted into cash within a short period of time. Therefore the principal financial instruments employed by the company are cash or cash equivalents and the directors ensure that the business maintains sufficient cash reserves and available cash facilities to minimise liquidity risk. The company's income stream is based on pre-agreed arrangements with clients thereby reducing price and credit risk. Conversion of current assets into cash in accordance with these arrangements is closely monitored. The company regularly monitors and reacts accordingly to any exposure to fluctuations in foreign exchange rates.

#### **Directors**

The directors of the company at 31 January 2009, both of whom served throughout the year were:

T.P. Usborne  
R.M. Robinson

#### **Charitable donations**

During the year the company made donations for charitable purposes amounting to £50,070 (2008: £40,800).

#### **Statement regarding disclosure of information to the auditors**

Each director of the company has confirmed that, in fulfilling their duties as a director, they are aware of no relevant audit information of which the company's auditors are not aware and that they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**USBORNE PUBLISHING LIMITED**

**DIRECTORS' REPORT (continued)**

**Auditors**

A resolution for the re-appointment of Nexia Smith & Williamson will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on their behalf

A handwritten signature in black ink, appearing to read 'K M Ball', written in a cursive style.

K M Ball  
Secretary

## **USBORNE PUBLISHING LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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.

# Nexia Smith & Williamson

## Independent auditors' report to the shareholders of Usborne Publishing Limited

We have audited the accounts of Usborne Publishing Limited for the year ended 31 January 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 22. These accounts have been prepared under the accounting policies set out therein.

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 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.

### Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts. We also report to you if, in our opinion, 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 the 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 misstatement within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2009 and of its profit for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

*Nexia Smith & Williamson*

Nexia Smith & Williamson  
Chartered Accountants  
Registered Auditors

24 November 2009

25 Moorgate  
London  
EC2R 6AY



**USBORNE PUBLISHING LIMITED****PROFIT AND LOSS ACCOUNT for the year ended 31 JANUARY 2009**

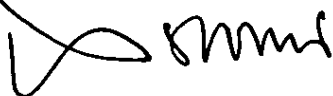
	Notes	2009 £	2008 £
<b>Turnover</b>	2	35,875,896	32,302,576
Cost of sales		(21,016,459)	(17,925,718)
<b>Gross profit</b>		14,859,437	14,376,858
Distribution costs		(1,922,258)	(1,637,396)
Administrative expenses		(8,450,242)	(7,868,003)
Other operating income	3	9,861	2,249
<b>Operating profit</b>	6	4,496,798	4,873,708
Interest receivable		217,318	225,413
Interest payable	7	(5,610)	(9,225)
<b>Profit on ordinary activities before taxation</b>		4,708,506	5,089,896
Taxation	8	(1,336,655)	(1,545,714)
<b>Profit for the financial year</b>		3,371,851	3,544,182

All the company's activities are classed as continuing and there are no recognised gains or losses in either year other than the profit for the year.

**USBORNE PUBLISHING LIMITED**
**Registered number 1124359**
**BALANCE SHEET as at 31 JANUARY 2009**

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Tangible	10	270,932	322,813
Investments	11	15	15
		<hr/>	<hr/>
		270,947	322,828
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks	12	14,346,023	11,924,932
Debtors	13	10,651,131	9,043,953
Investments	14	9,905	9,905
Cash at bank and in hand		3,332,942	4,799,891
		<hr/>	<hr/>
		28,340,001	25,778,681
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	15	(7,636,117)	(6,998,529)
		<hr/>	<hr/>
<b>Net current assets</b>		20,703,884	18,780,152
		<hr/>	<hr/>
<b>Net assets</b>		20,974,831	19,102,980
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	16	10,000	10,000
Share premium account		2,448,469	2,448,469
Capital reserve		1,000	1,000
Capital redemption reserve		9,950	9,950
Profit and loss account	17	18,505,412	16,633,561
		<hr/>	<hr/>
<b>Shareholders' funds</b>	18	20,974,831	19,102,980
		<hr/>	<hr/>

The accounts were approved by the Board of Directors on 23 November 2009 and were signed on its behalf by:



T.P. Usborne  
Director

**USBORNE PUBLISHING LIMITED**

**CASH FLOW STATEMENT for the year ended 31 JANUARY 2009**

	Notes	2009 £	2008 £
<b>Net cash inflow from operating activities</b>	(a)	1,435,100	3,888,137
<b>Returns on investments and servicing of finance</b>			
Interest received		217,318	225,413
Interest paid		(5,610)	(9,225)
<b>Net cash inflow from returns on investments and servicing of finance</b>		211,708	216,188
<b>Taxation</b>			
UK taxation paid		(1,515,759)	(1,396,050)
Overseas taxation paid		(13,014)	(7,064)
<b>Net cash outflow on taxation</b>		(1,528,773)	(1,403,114)
<b>Capital expenditure</b>			
Purchase of tangible fixed assets		(93,144)	(145,677)
Proceeds from sale of tangible fixed assets		8,160	17,715
<b>Net cash outflow from capital expenditure</b>		(84,984)	(127,962)
<b>Equity dividends paid</b>		(1,500,000)	(1,500,000)
<b>(Decrease)/ increase in cash</b>	(b), (c)	(1,466,949)	1,073,249

# **USBORNE PUBLISHING LIMITED**

## **NOTES TO THE CASH FLOW STATEMENT for the year ended 31 JANUARY 2009**

a)	<b>Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2009</b> <b>£</b>	<b>2008</b> <b>£</b>	
	Operating profit	4,496,798	4,873,708	
	Depreciation	136,627	135,979	
	Profit on sale of tangible fixed assets	238	(8,578)	
	Increase in stocks	(2,421,091)	(220,358)	
	Increase in debtors	(1,607,808)	(266,985)	
	Increase/ (decrease) in creditors	830,336	(625,630)	
		<hr/>	<hr/>	
	Net cash inflow from operating activities	1,435,100	3,888,138	
		<hr/>	<hr/>	
b)	<b>Reconciliation of net cash flow to movement in net funds</b>			
	Cash at 1 February	4,799,891	3,726,642	
	Net cash (outflow)/inflow	(1,466,949)	1,073,249	
		<hr/>	<hr/>	
	Cash at 31 January	3,332,942	4,799,891	
		<hr/>	<hr/>	
c)	<b>Analysis of net funds</b>	<b>At 1 February</b> <b>2008</b> <b>£</b>	<b>Cashflow</b> <b>£</b>	<b>At 31 January</b> <b>2009</b> <b>£</b>
	Cash at bank and in hand	4,799,891	(1,466,949)	3,332,942

## **USBORNE PUBLISHING LIMITED**

### **NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009**

#### **1 Accounting policies**

The accounts have been prepared in accordance with applicable accounting standards. A summary of the more important accounting policies adopted is described below.

##### **Accounting convention**

The accounts have been prepared under the historical cost convention.

##### **Investments**

Investments held as fixed assets are stated at cost less provisions for any impairment in value. Those held as current assets are stated at the lower of cost and net realisable value.

##### **Pension costs**

The company operates a money purchase pension scheme.

Contributions to the money purchase scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme and represent contributions payable by the company to the fund.

##### **Stocks and work in progress**

Stocks and work in progress have been valued at the lower of cost and net realisable value. Cost is defined as direct publication costs, together with a proportion of relevant overheads. Assets held by suppliers but which are deemed in substance to be assets of the company have been included in stocks.

##### **Depreciation**

Depreciation is calculated to write off the cost of fixed assets in equal annual instalments on the following bases:-

Furniture and fittings	20 to 33.3%
Computer equipment	25%

Motor vehicles are assumed to have a life of four years when purchased new; when purchased, at one year old, they are depreciated at 20% per annum for disposal after four years.

##### **Royalty income**

Royalty advances are credited to the profit and loss account when invoiced, royalties in excess of advances are credited when received.

# USBORNE PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)

### 1 Accounting policies (continued)

#### Foreign currency

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction.

Assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date unless covered by forward purchases of currency where the forward rate is used. Any profit or loss arising is taken to the profit and loss account.

#### Deferred taxation

Deferred tax is provided for on a full provision basis on all timing differences, which have arisen but not reversed at the balance sheet date. No timing differences are recognised in respect of gains on sale of assets where those gains have been rolled over into replacement assets. Deferred tax assets are recognised to the extent that they are recoverable, that is, if on the basis of all available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Any assets and liabilities recognised have not been discounted.

#### Leases

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

#### Provisions

Provision for dilapidations is made in accordance with FRS12, where there is an obligation in the lease to make good any alterations to the leasehold property.

#### Financial risk management

The financial risk management policies are detailed in the Directors' Report.

### 2 Turnover

Turnover represents the value of goods and services delivered to customers during the period, less returns, and is stated net of value added tax.

Geographical analysis of turnover:

	2009 £	2008 £
U.K	19,132,577	17,745,981
Overseas	16,743,319	14,556,595
	<hr/>	<hr/>
	35,875,896	32,302,576
	<hr/>	<hr/>

# **USBORNE PUBLISHING LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

<b>3 Other operating income</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Dividends receivable	9,861	2,249
	<hr/>	<hr/>

## **4 Employees**

The average weekly number of employees, excluding directors, of the company during the year and their aggregate remuneration were as follows:-

	<b>Number</b>	<b>Wages and salaries</b>	<b>Social security</b>	<b>Pension costs</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Year ended 31 January, 2009	<hr/> 180	<hr/> 5,620,096	<hr/> 589,435	<hr/> 366,966	<hr/> 6,576,497
Year ended 31 January, 2008	<hr/> 178	<hr/> 5,180,710	<hr/> 551,701	<hr/> 315,475	<hr/> 6,047,886

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

	<b>2009</b>	<b>2008</b>
	<b>No.</b>	<b>No.</b>
Administration	25	25
Editorial and production	106	102
Sales	49	51
	<hr/> 180	<hr/> 178

<b>5 Directors' emoluments</b>	<b>£</b>	<b>£</b>
Aggregate emoluments	158,728	138,008
	<hr/>	<hr/>

# **USBORNE PUBLISHING LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

<b>6</b>	<b>Operating profit</b>		
	is stated after charging/(crediting):	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Operating lease rentals		
	- Hire of plant and machinery	86,427	78,929
	- Other	453,627	451,277
	Depreciation	136,627	135,979
	Auditors' remuneration - audit	53,000	47,112
	- taxation services (paid to related companies of the auditors)	22,100	15,535
	Foreign exchange profit	(143,332)	(359,777)
		<hr/>	<hr/>
<b>7</b>	<b>Interest payable</b>	<b>£</b>	<b>£</b>
	Bank interest	5,610	9,225
		<hr/>	<hr/>
<b>8</b>	<b>Taxation</b>	<b>£</b>	<b>£</b>
	UK corporation tax based on the profit for the year at 28.33% (2008: 30%)	1,339,289	1,517,649
	Adjustment in respect of prior years	(1,524)	7,396
	Double taxation relief	(1,740)	(399)
		<hr/>	<hr/>
	Total current tax charge	1,336,025	1,524,646
	Deferred tax (see note 20)	630	21,068
		<hr/>	<hr/>
	Tax on profit on ordinary activities	1,336,655	1,545,714
		<hr/>	<hr/>
	<b>Tax reconciliation</b>		
	Profit on ordinary activities before tax	4,708,506	5,089,896
		<hr/>	<hr/>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.33% (2008: 30%)	1,333,820	1,526,968
	Tax effects of:		
	Capital allowances for period in excess of depreciation	(2,009)	(3,108)
	Expenses not deductible for tax purposes	4,436	5,923
	Foreign tax credit	(1,247)	(278)
	Other timing differences	2,549	(12,255)
	Adjustment in respect of prior years	(1,524)	7,396
		<hr/>	<hr/>
	Total current tax charge	1,336,025	1,524,646
		<hr/>	<hr/>



**USBORNE PUBLISHING LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

<b>9</b>	<b>Dividends paid</b>		<b>2009</b>	<b>2008</b>
			<b>£</b>	<b>£</b>
	£150 dividend per 'A' ordinary share		1,106,250	1,106,250
	£150 dividend per 'B' ordinary share		393,750	393,750
			<hr/>	<hr/>
			1,500,000	1,500,000
			<hr/>	<hr/>
<b>10</b>	<b>Tangible fixed assets</b>			
		<b>Computer equipment</b>	<b>Furniture and fittings</b>	<b>Motor vehicles</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	<b>Cost</b>			<b>Total</b>
				<b>£</b>
	At 1 February 2008	944,969	528,729	164,520
	Additions	61,512	6,497	25,135
	Disposals	-	-	(20,995)
		<hr/>	<hr/>	<hr/>
	At 31 January 2009	1,006,481	535,226	168,660
		<hr/>	<hr/>	<hr/>
	<b>Depreciation</b>			
	At 1 February 2008	777,843	444,887	92,675
	Charge for year	80,734	25,322	30,571
	Disposals	-	-	(12,597)
		<hr/>	<hr/>	<hr/>
	At 31 January 2009	858,577	470,209	110,649
		<hr/>	<hr/>	<hr/>
	<b>Net book value</b>			
	At 31 January 2009	147,904	65,017	58,011
		<hr/>	<hr/>	<hr/>
	At 31 January 2008	167,126	83,842	71,845
		<hr/>	<hr/>	<hr/>

# USBORNE PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)

### 11 Investments held as fixed assets

Shares in group  
undertakings -  
subsidiaries

At 31 January 2008 and 31 January 2009

£15

At 31 January 2009 the company had the following subsidiary undertakings:

Company	Country of incorporation	Activity	Proportion of ordinary shares held	Aggregate amount of share capital and reserves	Profit for the year
Usborne Publishing Inc	U.S.A	Non- trading	100%	See below	See below
Usborne Books at Home Limited	England	Dormant	100%	£2	£nil
Usborne Music Publishing Limited	England	Dormant	100%	£2	£nil
Usborne Reference Publishing Limited	England	Dormant	100%	£2	£nil
Usborne Education Limited	England	Dormant	100%	£2	£nil

Usborne Books at Home Limited, Usborne Music Publishing Limited, Usborne Reference Publishing Limited and Usborne Education Limited have not traded.

The accounts of these companies and Usborne Publishing Inc have been omitted from group accounts since in the opinion of the Directors, their inclusion is not material for the purpose of giving a true and fair view.

# **USBORNE PUBLISHING LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

### **11 Investments held as fixed assets (continued)**

Additional information in respect of Usborne Publishing Inc.	£
Cost	-
Share of undistributed post incorporation losses at 1 February 2008	(45,643)
Loss retained in the year	(17,295)
	<hr/>
Balance at 31 January 2009	(62,838)
	<hr/>

<b>12 Stocks</b>	<b>2009</b>	<b>2008</b>
	£	£
Work in progress	1,841,098	2,466,865
Finished goods	12,504,925	9,458,067
	<hr/>	<hr/>
	14,346,023	11,924,932
	<hr/>	<hr/>

<b>13 Debtors</b>		
Trade debtors	9,234,967	7,949,396
Other debtors	1,071,524	757,427
Prepayments and accrued income	256,093	247,953
Deferred taxation (note 20)	88,547	89,177
	<hr/>	<hr/>
	10,651,131	9,043,953
	<hr/>	<hr/>

<b>14 Investments</b>		
Listed investments – at cost		
(Market value £65,082, 2008: £74,508)	9,905	9,905
	<hr/>	<hr/>

# **USBORNE PUBLISHING LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

<b>15</b>	<b>Creditors: amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Trade creditors	4,963,721	3,868,649
	Corporation tax	326,346	519,094
	Other creditors	947,588	791,549
	Accruals and deferred income	1,124,866	1,545,641
	Dilapidations provision	273,596	273,596
		<hr/>	<hr/>
		7,636,117	6,998,529
		<hr/>	<hr/>
<b>16</b>	<b>Called up share capital</b>	<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	7,375 'A' Ordinary shares of £1 each	7,375	7,375
	2,625 'B' Ordinary shares of £1 each	2,625	2,625
	9,950 undesignated shares of £1 each	9,950	9,950
		<hr/>	<hr/>
		19,950	19,950
		<hr/>	<hr/>
	<b>Allotted and fully paid</b>		
	7,375 'A' Ordinary shares of £1 each	7,375	7,375
	2,625 'B' Ordinary shares of £1 each	2,625	2,625
		<hr/>	<hr/>
		10,000	10,000
		<hr/>	<hr/>
The 'A' shares and 'B' shares rank pari passu in all respects.			
<b>17</b>	<b>Profit and loss account</b>		
		<b>£</b>	<b>£</b>
	Balance at 1 February	16,633,561	14,589,379
	Retained profit for the year	1,871,851	2,044,182
		<hr/>	<hr/>
	Balance at 31 January	18,505,412	16,633,561
		<hr/>	<hr/>

**USBORNE PUBLISHING LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

**18 Reconciliation of movements in shareholders' funds**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	3,371,851	3,544,182
Dividends	(1,500,000)	(1,500,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	1,871,851	2,044,182
Opening shareholders' funds	19,102,980	17,058,798
	<hr/>	<hr/>
Closing shareholders' funds	20,974,831	19,102,980
	<hr/>	<hr/>

**19 Operating lease commitments**

At 31 January 2009 the company was committed to making the following payments during the next year in respect of operating leases:

	<b>Land and Buildings</b>	<b>Other</b>
	<b>£</b>	<b>£</b>
Leases which expire:		
Within 1 year	19,263	27,935
Within 2-5 years	81,050	79,353
After 5 years	353,314	-
	<hr/>	<hr/>
	453,627	107,288
	<hr/>	<hr/>

**20 Deferred taxation**

The amount of recognised deferred tax asset is as follows:

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	44,867	48,017
Other timing differences	43,680	41,160
	<hr/>	<hr/>
	88,547	89,177
	<hr/>	<hr/>

**Movement in deferred taxation**

	<b>£</b>
At 1 February 2008	89,177
Profit and loss account (note 8)	(630)
	<hr/>
At 31 January 2009 (note 13)	88,547
	<hr/>

**USBORNE PUBLISHING LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 JANUARY 2009 (continued)**

**21 Post balance sheet event**

Post year end the company declared an interim dividend of £150 per share to be paid to the holders of "A" shares and "B" shares.

**22 Ultimate controlling party**

At 31 January 2009 the ultimate controlling party was T.P. Usborne a shareholder and director of the company.