

JORDAN PUBLISHING LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1999

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JORDAN PUBLISHING LIMITED

BOARD OF DIRECTORS:

I A Harbottle (Chairman)
R T Hudson (Managing Director)
H G M Leighton
M P West
M Whitwell

SECRETARY:

The West of England Trust Limited

REGISTERED OFFICE:

21 St Thomas Street
Bristol
BS1 6JS

Registered in England and Wales No. 41470

JORDAN PUBLISHING LIMITED

REPORT OF THE DIRECTORS

The Directors present their Annual Report and the Accounts for the year ended 31st March 1999.

THE BUSINESS

The business of the Company was previously conducted as a division of Jordans Limited, a subsidiary of The West of England Trust Limited.

On 1 April 1997 it was demerged from Jordans Limited and has since been conducted as a separate enterprise by Jordan Publishing Limited.

PRINCIPAL ACTIVITIES

Jordan Publishing Limited, which publishes under two imprints, Jordans and Family Law, is the country's leading independent law publisher. As its main activity, the Company publishes practitioner books, looseleaves, CD ROMs, practice packs, law reports, periodicals and student manuals. Its primary markets are the legal profession, including trainees, and an increasing range of other business professionals who have a need for legal and regulatory information. Whilst the majority of publications are based on UK law, an increasing number deal with topics of trans-national significance, reflecting the globalisation of many areas of legal practice. The specialist Family Law imprint is used for an extensive list of divorce and child law related publications, whilst the Jordans imprint includes titles on most other areas of legal practice.

In addition to its publishing activities, Jordan Publishing Limited maintains a substantial continuing education programme of conferences, courses and seminars aimed at a similar spread of markets, run either on a stand-alone basis or as part of larger-scale publishing projects.

RESULTS AND BUSINESS REVIEW

The results for the year and the Directors' recommendations as to the appropriation of profit are set out in the Profit and Loss Account on page 7. The Company achieved significant overall growth in both turnover and profits across the whole operation with electronic publications beginning to have a marked impact.

JORDAN PUBLISHING LIMITED

REPORT OF THE DIRECTORS

FUTURE DEVELOPMENTS

Major reforms in the civil justice system coming on stream this year are likely to have a profound long term effect on the Company's core legal markets, as one of their principal aims is to make access to justice cheaper and more widely available. However these same reforms are providing new publishing opportunities which, with its professionally-qualified development staff and proven ability to act fast on new legal developments, the Company is well placed to exploit. Also growing strongly are non legal practice market sectors, where the demand for legal and regulatory information is constantly increasing as a result of the steady flow of new European and domestic regulation. The outlook remains bright for the conference operation where core legal markets are now subject to increased continuing education requirements imposed by their professional bodies. The strength of Jordans as a publisher lies in its ability to identify and act on new opportunities fast. This has enabled the Company to attract an unrivalled team of authors and forge strategic relationships with key institutions such as the College of Law.

YEAR 2000 COMPLIANCE

Computer systems are provided by Jordans Limited, the Company's fellow subsidiary. The Directors have been assured that all systems will be Year 2000 compliant.

DIRECTORS AND THEIR INTERESTS

The Directors appearing on page 1 have served throughout the year. Directors' shareholdings, including those of their families, in the share capital of the Ultimate Parent Company, are set out below:

	The West of England Trust Limited	
	£1 'A' Ordinary Shares	
	31st March 1999	1st April 1998
R T Hudson	2,550	2,550
M P West	510	510

The interests of Mr I A Harbottle, Mr H G M Leighton and Mr M Whitwell in the shares of the Ultimate Parent Company, of which they are Directors, are shown in the Accounts of that Company.

EMPLOYMENT INVOLVEMENT

The Company aims to involve all employees in its performance and development. A significant number of employees are shareholders in the Parent Company.

JORDAN PUBLISHING LIMITED

REPORT OF THE DIRECTORS

DISABLED EMPLOYEES

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

CLOSE COMPANY STATUS

The Company is considered to be a close company under the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

21 St Thomas Street
Bristol
BS1 6JS

By Order of the Board
The West of England Trust Limited


DIRECTOR

1st SEPTEMBER 1999

Secretary

JORDAN 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 period. 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; and
- 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.

JORDAN PUBLISHING LIMITED

REPORT OF THE AUDITORS

TO THE MEMBERS OF JORDAN PUBLISHING LIMITED

We have audited the accounts on pages 7 to 16 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

As described on page 5 the Company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.


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 accounts. It also includes an assessment of the significant estimates and judgements 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 of the state of affairs of the Company as at 31 March 1999 and of the profit of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
Bristol

 6 SEP 1999

JORDAN PUBLISHING LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31st March 1999

	Notes	1999 £'000	1998 £'000
Turnover	2	5,767	4,963
Cost of Sales		(3,285)	(2,810)
Gross Profit		2,482	2,153
Distribution costs		(367)	(389)
Administrative expenses		(939)	(690)
Profit on ordinary activities before taxation	3	1,176	1,074
Taxation	6	(321)	(364)
Profit on ordinary activities after taxation		855	710
Dividend	7	(800)	(550)
Retained profit for the year	15	55	160

All results arise from continuing activities.

No statement of total recognised gains and losses is presented as the Company has no recognised gains and losses other than the profit after taxation for the financial year.

JORDAN PUBLISHING LIMITED

BALANCE SHEET

As at 31st March 1999

	Notes	1999 £'000	1998 £'000
Fixed Assets			
Intangible assets	8	404	15
Tangible assets	9	95	107
		-----	-----
		499	122
		-----	-----
Current Assets			
Stocks and work in progress	10	396	349
Debtors	11	1,293	1,388
		-----	-----
		1,689	1,737
Creditors			
Amounts falling due within one year	12	(1,923)	(1,636)
		-----	-----
Net Current (Liabilities)/Assets		(234)	101
		-----	-----
Total Assets less Current Liabilities		265	223
		-----	-----
Provision for Liabilities and Charges			
Deferred taxation	13	-	(13)
		-----	-----
		265	210
		-----	-----
Capital and Reserves			
Called up share capital	14	50	50
Profit and loss account	15	215	160
		-----	-----
Shareholders' Funds	16	265	210
		-----	-----

Approved by the Board on 24 SEPTEMBER 1999

I A Harbottle

R T Hudson

Directors

The notes on pages 9 to 16 form part of these accounts.

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

1 Accounting Policies

(a) Accounting Convention

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

(b) Intangible Fixed Assets

The cost of goodwill and intellectual property rights in respect of publications acquired is amortised through the profit and loss account over the Directors' estimate of their useful lives up to a maximum of 20 years.

(c) Tangible Fixed Assets

Tangible fixed assets are shown at cost less accumulated depreciation. There has been no change in circumstances necessitating an impairment review under FRS 11.

(d) Depreciation

Depreciation is calculated to write off the cost less estimated residual value of tangible fixed assets on a straight line basis over the period of their expected useful lives. Plant and equipment is depreciated at rates ranging between 10% and 33%.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct labour, materials and related overheads.

(f) Deferred Taxation

Deferred taxation is provided on the liability method in respect of all timing differences to the extent that they are expected to result in an actual tax liability in the future.

(g) Pension Costs

The Company operates a defined benefit pension scheme, contributions to which are made in accordance with actuarial advice and charged to the profit and loss account so as to spread the pension cost over the anticipated period of service of scheme members.

The Company also contributes to a number of defined contribution personal pension plans held for the benefit of individual employees. Contributions are charged in the profit and loss account as they become payable.

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

(h) Provisions, Contingent Liabilities and Contingent Assets

Provisions, contingent liabilities and contingent assets have been quantified in accordance with FRS 12.

(i) Cash Flow Statement

No cash flow statement is presented as the Company is a wholly owned subsidiary undertaking of The West of England Trust Limited and that Company presents a consolidated cash flow statement.

2 Turnover

Turnover comprises amounts receivable for goods and services supplied, exclusive of value added tax. The value of goods and services exported during the year amounted to £448,987 (1998 : £416,821). Of these exports £253,060 (1998 : £242,675) were to Europe and £195,927 (1998 : £174,146) were to the rest of the world.

3 Operating Profit

	1999 £'000	1998 £'000
Operating profit is stated after charging:		
Amortisation – goodwill and intellectual property rights	125	2
Depreciation - owned assets	49	35
Auditors' remuneration	3	3

4 Employees

	1999 Number	1998 Number
Average monthly number of employees		
Editorial and production	25	20
Sales and distribution	11	8
	-----	-----
	36	28
	-----	-----
Employee costs	1999 £'000	1998 £'000
Salaries	659	540
Social security costs	63	50
Pension contributions	27	22
	-----	-----
	749	612
	-----	-----

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

The Company has 6 employees who are members of the defined benefit, contributory pension scheme operated by The West of England Trust Limited. The scheme is valued periodically by independent qualified actuaries and is fully funded. Further details of the scheme are included in the accounts of The West of England Trust Limited.

The Company also makes contributions to a number of defined contribution personal pension plans held for the benefit of individual employees.

5 Directors' Emoluments

	1999 £'000	1998 £'000
Aggregate emoluments	143	138
Highest paid director:		
Aggregate emoluments	91	88
Accrued pension at end of year	11	9

Retirement benefits are accruing for two directors under a defined benefit scheme (see note 4).

The emoluments of the Chairman and two of the Directors were paid by the parent company. They received no emoluments in respect of their services to Jordan Publishing Limited

6 Taxation

	1999 £'000	1998 £'000
Corporation tax at 31% (1998 : 31%)	370	351
Deferred tax	(13)	13
Prior year tax credit	(36)	-
	321	364

7 Dividend

	1999 £'000	1998 £'000
Paid	800	550

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

8 Intangible Fixed Assets – Goodwill and Intellectual Property Rights

	1999 £'000	1998 £'000
Cost at beginning of year	44	-
Cost transferred from fellow subsidiary undertaking	-	44
Additions – goodwill	270	-
- intellectual property rights	244	-
	-----	-----
Cost at end of year	558	44
	-----	-----
Amortisation at beginning of year	29	-
Amortisation transferred from fellow subsidiary undertaking	-	27
Charge for year – goodwill	3	2
- intellectual property rights	122	-
	-----	-----
Amortisation at end of year	154	29
	-----	-----
Net book value at end of year	404	15
	-----	-----

The cost of goodwill and intellectual property rights are being amortised over the Directors' estimate of the useful life of publications to which these costs relate. In no case does the period of amortisation exceed 20 years. The accumulated amortisation of £154,294 at the end of year represents the total amount of costs that has been written off of which £127,850 has been charged in the Company's accounts.

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

9 Tangible Fixed Assets

	Computer Hardware & Software £'000	Motor Cars £'000	Fixtures Fittings & Equipment £'000	Total £'000
Cost at beginning of year	110	95	28	233
Transfer from fellow subsidiary undertaking	2	12	-	14
Additions	25	-	4	29
	-----	-----	-----	-----
Cost at end of year	137	107	32	276
	-----	-----	-----	-----
Depreciation at beginning of year	67	51	8	126
Transfer from fellow subsidiary undertaking	2	4	-	6
Charge for the year	23	23	3	49
	-----	-----	-----	-----
Depreciation at end of year	92	78	11	181
	-----	-----	-----	-----
Net Book Value: At 31st March 1999	45	29	21	95
	-----	-----	-----	-----
As at 1st April 1998	43	44	20	107
	-----	-----	-----	-----

10 Stock and Work in Progress

	1999 £'000	1998 £'000
Materials	51	34
Work in progress	163	43
Stock of publications	182	272
	-----	-----
	396	349
	-----	-----

The replacement cost of stocks is not materially different from the amount stated above.

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

11 Debtors

	1999 £'000	1998 £'000
Trade debtors	1,197	728
Prepayments and accrued income	3	16
Amount due from parent and fellow subsidiary undertakings	93	644
	<hr/> 1,293	<hr/> 1,388

All debtors fall due within one year

12 Creditors - amounts falling due within one year

	1999 £'000	1998 £'000
Trade creditors	139	-
Corporation Tax	370	351
Accruals and deferred income	1,406	1,280
Payments on account (less disbursements chargeable)	8	5
	<hr/> 1,923	<hr/> 1,636

13 Taxation Deferred

Deferred taxation provided in the accounts is as follows:

	1999 Full Potential Liability £'000	1999 Provided £'000	1998 Full Potential Liability £'000	1998 Provided £'000
Accelerated capital allowances	-	-	13	13

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

14 Called Up Share Capital

	1999 £'000	1998 £'000
Ordinary shares of £1 each		
Authorised	100	100
Allotted, called up and fully paid	50	50

15 Profit and Loss Account

	1999 £'000	1998 £'000
Balance at beginning of year	160	-
Retained for the year	55	160
Balance at end of year	215	160

16 Shareholders' Funds

	1999 £000	1998 £000
Increase in share capital	-	25
Profit attributable to shareholders	855	710
Dividend	(800)	(550)
Total movements during year	55	185
At beginning of year	210	25
At end of year	265	210

17 Capital Commitment

	1999 £'000	1998 £'000
Contracted but not provided for	3	-

JORDAN PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

18 Contingent Liabilities

The Directors are not aware of any material contingent liabilities at 31st March 1999 for which Provision has not been made in these accounts.

19 Ultimate Parent Undertaking

The Company is a wholly owned subsidiary of The West of England Trust Limited, registered in England and Wales, for which group accounts are drawn up, which are available to the public from The Registrar of Companies, England and Wales.

20 Related Party Transactions

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of The West of England Trust Limited group of companies.