

Hart Publishing Limited

**DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

Year ended
29 February 2020

THURSDAY



A13 *A9YLT1E8* #163
18/02/2021
COMPANIES HOUSE

Company Registration Number: 03307205

Hart Publishing Limited

DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2020

The directors present their annual report and unaudited financial statements for the year ended 29 February 2020.

PRINCIPAL ACTIVITIES

The Company continued to trade during the year as a legal publisher.

PRINCIPAL RISKS AND CONTROLS

A full review of the Bloomsbury Publishing Plc Group's ("Group") Risk Register setting out the risks facing the business and the controls in place for all companies within the Group was conducted by the Group Audit Committee during 2020. Details of this review can be found in the Annual Report of the Group which can be obtained from www.bloomsbury-ir.co.uk or from the Company Secretary at the address in note 15.

RESULTS

The Company's profit after taxation for year ended 29 February 2020 was £1,113,404 (2019: £261,475).

FUTURE DEVELOPMENTS

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

DIRECTORS

The directors who held office during the year and to the date of this report were:

N Newton
P Scott-Bayfield

Directors are granted an indemnity from the Company to the extent permitted by law in respect of liabilities incurred as a result of their office.

AUDIT EXEMPTION

For the year ended 29 February 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the year ended 29 February 2020 in accordance with section 476.

The directors have taken the exemption provided under section 414B of the Companies Act 2006 from presenting a strategic report.

On behalf of the board

M. Abu-Deeb

M Abu-Deeb
Company Secretary
5 February 2021

REGISTERED OFFICE
50 Bedford Square
London
WC1B 3DP

Hart Publishing Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Hart Publishing Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 29 February 2020

	<i>Note</i>	Year ended 29 February 2020 £	Year ended 28 February 2019 £
REVENUE	2	3,167,437	2,551,541
Cost of sales		(810,937)	(1,112,877)
GROSS PROFIT		2,356,500	1,438,664
Administrative costs		(1,243,238)	(1,177,975)
OPERATING PROFIT	2	1,113,262	260,689
PROFIT BEFORE TAXATION		1,113,262	260,689
Taxation	4	142	786
PROFIT FOR THE FINANCIAL YEAR		1,113,404	261,475
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,113,404	261,475

The above income statement represents activities from the Company's continuing operations.

The notes on pages 6 to 14 form part of these financial statements.

Hart Publishing Limited

STATEMENT OF FINANCIAL POSITION As at 29 February 2020

Company Registration Number: 03307205

	<i>Note</i>	29 February 2020 £	28 February 2019 £
NON-CURRENT ASSETS			
Intangible assets	5	19,544	24,913
Property, plant and equipment	6	1,496	1,707
Deferred tax assets	9	5,131	4,989
		<u>26,171</u>	<u>31,609</u>
CURRENT ASSETS			
Inventories	7	570,010	328,593
Trade and other receivables	8	4,402,794	3,365,801
		<u>4,972,804</u>	<u>3,694,394</u>
Trade and other payables	10	(1,015,026)	(855,458)
NET CURRENT ASSETS		<u>3,957,778</u>	<u>2,838,936</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,983,949</u>	<u>2,870,545</u>
NET ASSETS		<u>3,983,949</u>	<u>2,870,545</u>
EQUITY			
Share capital	11	104	104
Retained earnings	12	3,983,845	2,870,441
		<u>3,983,949</u>	<u>2,870,545</u>

The notes on pages 6 to 14 form part of the financial statements.

For the year ending 29 February 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

The financial statements on pages 3 to 14 were approved and authorised for issue by the board of directors on 5 February 2021 and are signed on its behalf by

P. Scott-Bayfield

P Scott-Bayfield
Director

Hart Publishing Limited
STATEMENT OF CHANGES IN EQUITY
As at 29 February 2020

	Share capital £	Capital contribution reserve £	Retained earnings £	Total £
Balance at 28 February 2018	104	-	2,608,966	2,609,070
Profit for the year	-	-	261,475	261,475
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	261,475	261,475
Capital contribution from ultimate parent company	-	10,820	-	10,820
Recharge of share based payment charge from the ultimate parent company	-	(10,820)	-	(10,820)
Balance at 28 February 2019	104	-	2,870,441	2,870,545
Profit for the year	-	-	1,113,404	1,113,404
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	1,113,404	1,113,404
Capital contribution from ultimate parent company	-	15,527	-	15,527
Recharge of share based payment charge from the ultimate parent company	-	(15,527)	-	(15,527)
Balance at 29 February 2020	104	-	3,983,845	3,983,949

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 29 February 2020

1 ACCOUNTING POLICIES

(a) *Basis of accounting*

Hart Publishing Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK. The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom and under the historical cost convention.

These financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken. The presentation currency of these financial statements is sterling. The registered address of the Company is 50 Bedford Square, London, WC1B 3DP.

The Company’s ultimate parent undertaking, Bloomsbury Publishing Plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Bloomsbury Publishing Plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Company Secretary, Bloomsbury Publishing Plc, 50 Bedford Square, London WC1B 3DP. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Comparative period reconciliations for shares capital, property plant and equipment and intangible assets;
- Statement of cash flows and related notes;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of key management personnel; and
- Disclosures in respect of transactions with wholly owned subsidiaries.

As the consolidated financial statements of Bloomsbury Publishing Plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures:

- IFRS 2 share based payments in respect of instruments of the ultimate parent company;
- Certain disclosures required by IFRS 7 Financial Instruments; and
- Certain disclosures required by IFRS 15 Revenue from Contracts with Customers

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

(b) *Going Concern*

The Company participates in the ultimate parent, Bloomsbury Publishing Plc’s, centralised treasury arrangement and so shares banking arrangements with the parent and fellow subsidiaries. The Bloomsbury Group meets its day to day working capital requirements through a £6m uncommitted term loan facility and a five year revolving credit facility of between £8m and £12m depending on the timing of the year (to reflect the Group’s cash flow cycle).

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

The directors, having assessed the responses of the directors of the parent Bloomsbury Publishing Plc, to their enquiries, have no reason to believe a material uncertainty exists that may cast significant doubt over the Group's ability to continue as a going concern. The factors taken into account in developing this expectation include the level of cash within the business, the Group's bank facilities and continuing sources of revenue.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of Bloomsbury Publishing Plc, the Company's directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) *Revenue*

Revenue represents the amount derived from the provision of goods, services and rights falling within the Company's ordinary activities, after deduction of trade discounts, value added tax and anticipated returns.

- Revenue from the sale of printed books is recognised at the point in time when control passes. This is generally at the point of shipment when title passes to the customer, when the Company has a present right to payment and has satisfied the relevant performance obligations under the contract.
- Revenue for digital subscriptions is generated from customers through the sale of digital materials to educational establishments, libraries and professionals. Revenue for digital subscriptions is derived from the periodic subscription or update of the product. Revenue is recognised on a straight-line basis over the period of subscription or if less the expected useful economic life of the product, unless the product is downloadable or the goods or services are not delivered in a consistent manner over time, in which case revenue is recognised based on the value received by the customer.
- Revenue from the license of publishing and distribution rights, including film, paperback, electronic, overseas publishing rights, and sponsorship, is recognised when the Company has provided the associated material and collectability is probable.
- Revenue from e-book sales is recognised when content is delivered i.e. access has been given to the customer.

(d) *Intangible assets*

Intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided on intangible assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Product development	-	20-33% straight line basis
---------------------	---	----------------------------

Amortisation is pro-rated in the years of acquisition and disposal of an asset. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

(e) *Property, plant and equipment*

Property, plant and equipment are stated at cost price less accumulated depreciation and any amounts recognised in respect of impairment.

Depreciation is charged so as to write off the cost of tangible fixed assets, less expected residual value, on a straight line basis over the expected useful economic lives of the assets concerned. Depreciation is pro-rated in the years of acquisition and disposal of an asset. The annual rates used for this purpose are:

Fixture and fittings	-	10% straight line basis
Computer equipment	-	25% straight line basis

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

(f) *Inventories*

The cost of work in progress and finished goods represents the amounts invoiced to the Company for origination, paper, printing and binding. Inventories are valued at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Provisions are made for slow-moving and obsolete stock.

(g) *Taxation*

The tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be generated to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the end of the reporting period.

iii) Current and deferred tax for the year

Current and deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items credited or charged directly to other comprehensive income or equity.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(h) *Foreign currencies*

Transactions in currencies other than the functional currency are recorded in the functional currency at the rates of exchange prevailing on the dates of the transactions. Assets and liabilities in foreign currencies are translated into sterling at closing rates of exchange at the date of the statement of financial position.

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

Exchange differences are charged or credited to the statement of comprehensive income within administrative expenses.

(i) *Trade receivables*

Trade receivables and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment.

(j) *Trade payables*

Trade payables are not interest bearing and are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

(k) *Financial instruments*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting for all of its financial liabilities.

Dividends and distributions relating to equity instruments are debited direct to equity.

(l) *Impairment of non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(m) *Critical accounting estimates and judgements*

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. The resultant estimates will, by definition, not necessarily equal the related actual results and may require adjustment in subsequent accounting periods. The estimates and judgements that may cause a material adjustment to the carrying amount of assets and liabilities in the next financial year are:

Revenue recognition

This is a judgment because management is required to decide whether the revenue recognition criteria has been met for a contract. Certain contracts entered into by the Company may include: the licensing or outright sale of the Company's intellectual property; the provision of ongoing consultancy services; or a bundled combination of both.

The Company considers contractual terms and makes judgements in assessing when the triggers for revenue recognition have been met, particularly that the Company has sufficiently fulfilled its obligations under the contract to allow revenue to be recognised and the allocation of revenue between multiple deliverables.

Book returns

This is an estimate as it requires management to estimate the level of expected future returns. As books are returnable by customers, the Company makes a provision against books sold in the accounting period which is then carried forward and offset against trade receivables in the statement of financial position in anticipation of book returns received subsequent to the reporting period end. The provision is calculated by reference to historical returns rates and expected future returns.

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

Author advances

This is an estimate as it requires management to estimate the future sales of a title. A provision is made by the Company against advances on published titles which may not be covered by royalties on anticipated future title sales or subsidiary rights receivable. At the end of each financial year a review is carried out on all published title advances. If it is unlikely that royalties from future title sales or subsidiary rights will fully earn down the advance, a provision is made in the statement of comprehensive income for the difference between the carrying value and the anticipated recoverable amount from future earnings.

Inventories

This is an estimate as it requires management to estimate the net realisable value for inventory. At the end of each reporting period a review is carried out on all published titles where inventory is held. A provision is made by the Company against unsold inventory on a title by title basis, with regard to historical net sales and expected future net sales, to value the inventories at the lower of cost and net realisable value.

(n) *New standards, amendments and IFRIC interpretations*

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 29 February 2020, have had a material impact on the company.

2 REVENUE AND OPERATING PROFIT

	Year ended 29 February 2020 £	Year ended 28 February 2019 £
Revenue by destination:		
United Kingdom	1,268,673	1,132,345
Continental Europe	549,273	474,068
North America	606,440	434,561
Far and Middle East	421,520	228,152
Rest of the World	321,531	282,415
	<u>3,167,437</u>	<u>2,551,541</u>
Operating profit is stated after charging:		
Amortisation of intangible assets (note 5)	9,740	19,884
Depreciation of property, plant and equipment (note 6)	211	409
Staff costs (note 3)	<u>353,712</u>	<u>421,530</u>

3 STAFF COSTS AND DIRECTORS' EMOLUMENTS

Staff costs of £353,712 were recharged in the year from Bloomsbury Publishing Plc (2019: £421,530).

All employees are employed by Bloomsbury Publishing Plc, the ultimate parent company. Employees provide services on a group basis and all employee costs are incurred by Bloomsbury Publishing Plc. A recharge of staff costs, including directors' emoluments, is made to the Company in respect of services provided to the Company.

The directors waive all entitlements to remuneration and receive no remuneration in respect of their appointment as directors of the Company.

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

4 TAXATION

	Year ended 29 February 2020 £	Year ended 28 February 2019 £
(a) Analysis of tax credit for the year		
UK corporation tax	-	-
Adjustment in respect of prior years	-	-
Deferred taxation (note 10):		
Current year credit	(142)	(786)
Tax on profit	(142)	(786)

(b) Factors affecting tax credit for the year

The tax credit for the year is lower (2019: lower) than the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	Year ended 29 February 2020 £	Year ended 28 February 2019 £
Profit before tax	1,113,262	260,689
Profit multiplied by the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	211,520	49,531
Effects of:		
Expenses not deductible for tax purposes	1,601	2,167
Movement in unrecognised temporary differences	644	-
Movement in deferred tax rate	17	92
Group relief surrender	(213,924)	(52,576)
Total tax credit	(142)	(786)

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

5	INTANGIBLE ASSETS	Product Development £
	Cost	
	At 1 March 2019	132,239
	Additions	4,371
	At 29 February 2020	<u>136,610</u>
	Amortisation	
	At 1 March 2019	107,326
	Charge for the year	9,740
	At 29 February 2020	<u>117,066</u>
	Net book value	
	At 29 February 2020	<u>19,544</u>
	At 28 February 2019	<u>24,913</u>

Product development amortisation is included in cost of sales.

6	PROPERTY, PLANT AND EQUIPMENT	Fixture and Fittings £	Computer Equipment £	Total £
	Cost			
	At 1 March 2019	14,727	47,159	61,886
	Additions	-	-	-
	At 29 February 2020	<u>14,727</u>	<u>47,159</u>	<u>61,886</u>
	Depreciation			
	At 1 March 2019	14,537	45,642	60,179
	Charge for the year	107	104	211
	At 29 February 2020	<u>14,644</u>	<u>45,746</u>	<u>60,390</u>
	Net book value			
	At 29 February 2020	<u>83</u>	<u>1,413</u>	<u>1,496</u>
	At 28 February 2019	<u>190</u>	<u>1,517</u>	<u>1,707</u>

Depreciation is included in administrative costs.

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

7	INVENTORIES	29 February 2020 £	28 February 2019 £
	Work in progress	72,376	71,592
	Finished goods	497,634	257,001
		<u>570,010</u>	<u>328,593</u>

8	TRADE AND OTHER RECEIVABLES	29 February 2020 £	28 February 2019 £
	Amounts owed by Group undertakings	4,339,511	3,292,239
	Prepayments and accrued income	63,283	73,562
		<u>4,402,794</u>	<u>3,365,801</u>

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

9 DEFERRED TAX

The deferred tax assets comprises the following:

	Fixed asset timing differences £
At 1 March 2018	4,203
Credit to the Statement of Comprehensive Income	786
At 28 February 2019	<u>4,989</u>
Credit to the Statement of Comprehensive Income	142
At 29 February 2020	<u>5,131</u>

The deferred tax asset is included in the financial statements at a corporation tax rate of 17%.

10	TRADE AND OTHER PAYABLES	29 February 2020 £	28 February 2019 £
	Amounts falling due within one year:		
	Trade payables	108,166	131,094
	Amounts due to Group undertakings	479,592	452,373
	Other taxation and social security	28,225	28,225
	Other payables	5,340	3,943
	Accruals and deferred income	261,066	239,823
	Sales return liability	132,637	-
		<u>1,015,026</u>	<u>855,458</u>

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

Hart Publishing Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 February 2020

11	SHARE CAPITAL	29 February 2020	28 February 2019
		£	£
	48 Ordinary A shares of £1 each	48	48
	47 Ordinary B shares of £1 each	47	47
	4 Ordinary F shares of £1 each	4	4
	1 Ordinary G shares of £1 each	1	1
	4 Ordinary H shares of £1 each	4	4
		<u>104</u>	<u>104</u>

12 RESERVES

Retained earnings

The retained earnings reserve comprises profit for the year and other items recognised directly through equity as presented on the statement of changes in equity.

13 SHARE BASED PAYMENTS

Share options in the ultimate parent company, Bloomsbury Publishing Plc, are awarded to employees of the Group in relation to their services to the Group's companies. The expense of all share options awarded is incurred by Bloomsbury Publishing Plc, and a recharge to the Company is made in respect of the value of services provided in each period to the Company.

14 COMMITMENTS AND CONTINGENT LIABILITIES

The Company, along with other group subsidiaries, has guarantees in place relating to the Group's borrowing facilities with Lloyds Bank Plc. At 29 February 2020, the Group had no draw down (2019: £nil) of this facility with £8.0 million of undrawn borrowing facilities (2019: £12.0 million) available.

The facility comprises a committed revolving loan facility of £8 million in the first half and an additional £4 million in the second half, totalling £12 million, to match Bloomsbury's cash flow cycle, and an uncommitted incremental term loan facility of up to £6 million. The facilities are subject to two covenants, being a maximum net debt to EBITDA ratio of 2.5x and a minimum interest cover covenant of 4x. Subsequent to the year-end, the maturity of the facility was extended to May 2022.

15 ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is Bloomsbury Publishing Plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the consolidated financial statements of Bloomsbury Publishing Plc may be obtained from the Company Secretary, Bloomsbury Publishing Plc, 50 Bedford Square, London WC1B 3DP.