

SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 28 FEBRUARY 2011

Registered number: 4639150

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

DIRECTORS' REPORT

Directors: P Baxter (appointed 10 January 2011)
C M Booth (appointed 4 September 2010)
G V Clarke
N E Duin
G M-F Hill
G R Hooper
L H Osborne
S J Patey
S A Peacock (appointed 4 September 2010)
S M Price
H Stevens (appointed 25 October 2010)
W A Toole

Secretary: J A E Amenu

Registered office: Harwood House, 43 Harwood Road, London, SW6 4QP

Registered number: 4639150

The directors present their report together with the financial statements of the company for the year ended 28 February 2011.

Principal activity

The principal activity of the company during the year was the provision of support and training to editors and proofreaders.

Directors

The directors of the company at 28 February 2011 are shown above.

In addition, J Marsden, L Singha and K Timberlake served as directors until their resignations on 4 September 2010.

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

DIRECTORS' REPORT (continued)

Directors' responsibilities

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those 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;
- 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 proper accounting records which 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 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By Order of the Board

S M Price

Date

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2011**

| | Notes | £ | 2010 £ |
|---|-------|-----------------------|----------------------|
| Turnover | 2 | 303,355 | 271,620 |
| Cost of sales | | (122,818) | (107,151) |
| Gross surplus | | <u>180,537</u> | <u>164,469</u> |
| Administrative expenses | | (182,296) | (152,465) |
| Operating (deficit) / surplus | | <u>(1,759)</u> | <u>12,004</u> |
| Interest receivable | 3 | 141 | 180 |
| (Deficit) / surplus on ordinary activities before taxation | 4 | <u>(1,618)</u> | <u>12,184</u> |
| Tax on (deficit) / surplus on ordinary activities | 5 | 582 | - |
| Retained (deficit) / surplus for the financial year | | <u><u>(1,036)</u></u> | <u><u>12,184</u></u> |

The attached notes 1 to 12 form a part of these financial statements.

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

BALANCE SHEET AS AT 28 FEBRUARY 2011

| | Notes | £ | £ | 2010 £ | 2010 £ |
|---|-------|----------------|----------------|-----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 6 | | 2 | | 2 |
| Current assets | | | | | |
| Stocks | 7 | 3,400 | | 3,600 | |
| Debtors | 8 | 9,953 | | 5,173 | |
| Cash at bank and in hand | | 114,472 | | 198,210 | |
| | | <u>127,825</u> | | <u>206,983</u> | |
| Creditors: Amounts falling due within one year | 9 | (6,702) | | (84,824) | |
| | | <u>(6,702)</u> | | <u>(84,824)</u> | |
| Net current assets | | | 121,123 | | 122,159 |
| | | | <u>121,123</u> | | <u>122,159</u> |
| Total assets less current liabilities | | | <u>121,125</u> | | <u>122,161</u> |
| | | | <u>121,125</u> | | <u>122,161</u> |
| Reserves | | | | | |
| General reserve | 10 | | 121,125 | | 122,161 |
| | | | <u>121,125</u> | | <u>122,161</u> |
| | | | <u>121,125</u> | | <u>122,161</u> |

Continued....

The attached notes 1 to 12 form a part of these financial statements.

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

BALANCE SHEET AS AT 28 FEBRUARY 2011

For the financial year ended 28 February 2011 the company was entitled to exemption from audit under section 447 Companies Act 2006. No notice has been deposited requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by:

S M Price

Date

Company Registration No. 4639150

The attached notes 1 to 12 form a part of these financial statements.

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

**Notes to the Financial Statements
for the year ended 28 February 2011**

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover consists of membership subscriptions, directory income, fees from courses and conferences and sundry other income. Each source of income is recognised when due and is apportioned against the period to which it relates.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | | |
|--------------------|---|----------------------|
| Office equipment | - | 25% straight line |
| Computer equipment | - | 33.33% straight line |

Stock

Stock is valued at the lower of cost and net realisable.

2. TURNOVER

The turnover and deficit for the year are attributable to the principal activity of the company.

| | | |
|-------------------------------|-------------------|-------------------|
| 3. INTEREST RECEIVABLE | £ | 2010 £ |
| Bank interest receivable | 141 | 180 |
| | <u> </u> | <u> </u> |

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

**Notes to the Financial Statements
for the year ended 28 February 2011 (continued)**

| | | | |
|-----------|---|-------------------|-------------------|
| 4. | (DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION | | 2010 |
| | This is stated after charging: | £ | £ |
| | Directors' fees | 7,084 | 3,187 |
| | | <u> </u> | <u> </u> |

Directors' fees are paid for professional services provided which are considered to be over and above that which may reasonably be expected on a voluntary basis.

| | | | |
|-----------|--|-------------------|-------------------|
| 5. | TAX ON (DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES | £ | 2010 £ |
| | Loss relief carried back to previous years | 582 | - |
| | | <u> </u> | <u> </u> |

The company has tax losses of approximately £6,400 to carry forward which are available for offset against future trading profits, subject to agreement by HMRC.

| | | | |
|-----------|---|--------------------------|--|
| 6. | TANGIBLE FIXED ASSETS | | |
| | | Office equipment £ | Computer equipment and software £ |
| | | Total £ | |
| | Cost: | | |
| | As at 1 March 2010 and 28 February 2011 | 1,367 | 5,046 |
| | | <u> </u> | <u> </u> |
| | Depreciation: | | |
| | As at 1 March 2010 and 28 February 2011 | 1,366 | 5,045 |
| | | <u> </u> | <u> </u> |
| | Net book value: | | |
| | At 28 February 2011 | 1 | 1 |
| | | <u> </u> | <u> </u> |
| | At 29 February 2010 | 1 | 1 |
| | | <u> </u> | <u> </u> |

| | | | |
|-----------|-----------------------|-------------------|-------------------|
| 7. | STOCKS | £ | 2010 £ |
| | Goods held for resale | 3,400 | 3,600 |
| | | <u> </u> | <u> </u> |

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

**Notes to the Financial Statements
for the year ended 28 February 2011 (continued)**

| | | 2010 | 2010 |
|---|-------|--------|------|
| 8. DEBTORS | £ | £ | £ |
| Trade debtors | 2,816 | - | |
| Other debtors | 7,137 | 5,173 | |
| | 9,953 | 5,173 | |
| | 9,953 | 5,173 | |
| | | | |
| 9. CREDITORS: Amounts falling due within one year | £ | £ | 2010 |
| Other taxes and social security | 3,532 | 5,636 | |
| Income received in advance | 1,488 | 77,587 | |
| Accruals | 1,682 | 1,601 | |
| | 6,702 | 84,824 | |
| | 6,702 | 84,824 | |

10. RESERVES – INCOME AND EXPENDITURE ACCOUNT

| | General Reserve | Whitcombe Training Fund | Dorothy Mitchell Smith Memorial Fund | Total |
|-------------------------------|-----------------|-------------------------|--------------------------------------|-----------|
| | £ | £ | £ | £ |
| As at 1 March 2010 | 122,161 | - | - | 122,161 |
| Income for the year | 303,423 | 501 | 154 | 304,078 |
| Expenditure for the year: | | | | |
| - General | (304,459) | - | - | (304,459) |
| - Accreditation and mentoring | - | (501) | - | (501) |
| - Training vouchers used | - | - | (154) | (154) |
| | 121,125 | - | - | 121,125 |
| As at 28 February 2011 | 121,125 | - | - | 121,125 |

The total cost of mentoring and accreditation was £3,806 of which £501 has been charged to the Whitcombe Training Fund.

11. MEMBERS' LIABILITY

The liability of the members is limited to £1.

12. RELATED PARTY TRANSACTIONS

The majority of the income of the company is earned from the members of the Society. For the year ended 28 February 2011 the amount of income earned from non-members totalled £22,032 (2010: £15,122).

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

**Schedules to the Income and Expenditure Account
for the year ended 28 February 2011**

| 1. Income and direct costs | Income | Direct Expenses | Gross Surplus | Gross Surplus 2010 |
|------------------------------------|----------------|------------------------|----------------------|---------------------------|
| | £ | £ | £ | £ |
| Subscriptions | 153,734 | - | 153,734 | 141,150 |
| Upgrade fees | 836 | - | 836 | 926 |
| In-house training | 18,526 | (11,791) | 6,735 | 2,173 |
| Courses | 75,667 | (61,462) | 14,205 | 14,582 |
| Annual conference | 23,000 | (19,104) | 3,896 | 1,952 |
| Directory income | 21,892 | (1,193) | 20,699 | 20,817 |
| Sales (books and SFEP merchandise) | 1,757 | (3,085) | (1,328) | 326 |
| Newsletter receipts (advertising) | 1,893 | - | 1,893 | 2,115 |
| Accreditation | 1,350 | (914) | 436 | 497 |
| Mentoring | 2,043 | (2,391) | (348) | (3,166) |
| WTF and DMS Fund income | 655 | (501) | 154 | 847 |
| Other income and expenses | 2,002 | - | 2,002 | 3,321 |
| Membership benefits: | | | | |
| - Newsletter costs | - | (20,377) | (20,377) | (19,071) |
| - First Assist | - | (2,000) | (2,000) | (2,000) |
| | <u>303,355</u> | <u>(122,818)</u> | <u>180,537</u> | <u>164,469</u> |
| 2. Administrative expenses | | | £ | 2010 £ |
| Directors' fees | | | 7,084 | 3,187 |
| Wages and salaries | | | 87,758 | 82,449 |
| Employer's national insurance | | | 8,566 | 8,064 |
| Freelancers | | | 5,436 | - |
| Rent | | | 12,240 | 12,240 |
| Committee expenses | | | 4,779 | 4,957 |
| AGM expenses | | | 606 | 657 |
| Membership expenses | | | 11,003 | 1,500 |
| Promotion | | | 334 | 1,661 |
| Telephone | | | 1,570 | 1,481 |
| Website costs | | | 9,851 | 5,883 |
| Database expenses | | | 5,026 | - |
| Printing and stationery | | | 4,993 | 2,492 |
| Postage | | | 2,088 | 2,126 |
| Recruitment costs | | | 2,833 | 3,082 |
| Insurance | | | 1,649 | 1,118 |
| Office expenses | | | 1,484 | 1,865 |
| Accountancy | | | 2,550 | 2,350 |
| Professional fees | | | 1,250 | 1,250 |
| Equipment hire and maintenance | | | 5,001 | 5,828 |
| Computer software and maintenance | | | 456 | 386 |
| Unrecoverable VAT | | | 3,093 | 7,059 |
| Bank charges | | | 1,894 | 2,164 |
| Sundry expenses | | | 752 | 666 |
| | | | <u>182,296</u> | <u>152,465</u> |

**SOCIETY FOR EDITORS AND PROOFREADERS LIMITED
(LIMITED BY GUARANTEE)**

YEAR ENDED 28 FEBRUARY 2011

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION
OF THE UNAUDITED STATUTORY ACCOUNTS**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Society for Editors and Proofreaders Limited for the year ended 28 February 2011 which comprise of the income and expenditure account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a practising member firm of the Institute of the Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made to the Board of Directors of Society for Editors and Proofreaders Limited, as a body, in accordance with the terms of our engagement letter dated 9 February 2007. Our work has been undertaken solely to prepare for your approval the accounts of Society for Editors and Proofreaders Limited and state those matters that we have agreed to state to the Board of Directors of Society for Editors and Proofreaders Limited, as a body, in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Society for Editors and Proofreaders Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Society for Editors and Proofreaders Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Society for Editors and Proofreaders Limited. You consider that Society for Editors and Proofreaders Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Society for Editors and Proofreaders Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

WARRENER STEWART
Chartered Accountants
43 Harwood Road
London
SW6 4QP

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Date