
W.W. NORTON & COMPANY LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2018



W.W. NORTON & COMPANY LIMITED

COMPANY INFORMATION

Directors	R A Cameron R Harrington S R King A J Llewellyn W D McFeely E W L Crutchley J Reidhead M Hewinson
Company secretary	E W L Crutchley
Registered number	01489572
Registered office	New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Independent auditors	MHA MacIntyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ

W.W. NORTON & COMPANY LIMITED

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**BALANCE SHEET
AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	33,639	46,478
		<u>33,639</u>	<u>46,478</u>
Current assets			
Debtors: amounts falling due after more than one year	5	50,260	50,260
Debtors: amounts falling due within one year	5	63,780	66,930
Cash at bank and in hand		113,848	56,909
		<u>227,888</u>	<u>174,099</u>
Creditors: amounts falling due within one year	6	(123,564)	(85,106)
Net current assets		<u>104,324</u>	<u>88,993</u>
Total assets less current liabilities		<u>137,963</u>	<u>135,471</u>
Provisions for liabilities			
Deferred tax	7	(6,087)	(8,513)
		<u>(6,087)</u>	<u>(8,513)</u>
Net assets		<u><u>131,876</u></u>	<u><u>126,958</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		131,776	126,858
		<u><u>131,876</u></u>	<u><u>126,958</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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


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E W L Crutchley

Director

The notes on pages 2 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. General information

W W Norton & Company Limited is a private limited company incorporated in England and Wales. The registered office of the company is New Bridge Street House, 30-34 New Bridge Street, London EC4V 6BJ.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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.

2.3 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:

Fixtures and fittings	- over 5-10 years
Office equipment	- over 3-5 years

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 the Statement of comprehensive income.

2.4 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.5 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.

2.6 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, 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 debtors and creditors, 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 the 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.7 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.

2.8 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income 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.

2.10 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 the Statement of comprehensive income 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.

2.11 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.12 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 the Statement of comprehensive income 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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. Employees

The average monthly number of employees, including directors, during the year was 15 (2017 - 15).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2017	47,388	25,317	72,705
Additions	-	1,183	1,183
At 31 March 2018	47,388	26,500	73,888
Depreciation			
At 1 April 2017	11,081	15,146	26,227
Charge for the year on owned assets	8,543	5,479	14,022
At 31 March 2018	19,624	20,625	40,249
Net book value			
At 31 March 2018	27,764	5,875	33,639
At 31 March 2017	36,307	10,171	46,478

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Debtors

	2018 £	2017 £
Due after more than one year		
Other debtors	50,260	50,260
	<u>50,260</u>	<u>50,260</u>
	2018 £	2017 £
Due within one year		
Trade debtors	960	6,000
Other debtors	9,380	15,629
Prepayments and accrued income	53,440	45,301
	<u>63,780</u>	<u>66,930</u>

6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,112	4,721
Amounts owed to group undertakings	89,800	58,312
Corporation tax	19,322	12,699
Other taxation and social security	2,588	1,133
Other creditors	1,904	991
Accruals and deferred income	7,838	7,250
	<u>123,564</u>	<u>85,106</u>

7. Deferred taxation

	2018 £
At beginning of year	(8,513)
Charged to profit or loss	2,426
At end of year	<u><u>(6,087)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(6,087)	(8,513)
	<u>(6,087)</u>	<u>(8,513)</u>

8. Pension commitments

"The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £45,939 (2017: £46,484).

9. Related party transactions

Fees receivable from W W Norton & Company Inc during the year amounted to £963,512 (2017: £905,215).

The amount due to W W Norton & Company Inc as at 31 March 2018 was £89,800 (2017: £58,312).

10. Ultimate parent undertaking and controlling party

The ultimate parent company is W W Norton & Company Inc, a company incorporated in the United States of America.

11. Auditors' information

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was John Coverdale on behalf of MHA MacIntyre Hudson.