Company number : 1984336

Bloomsbury Publishing PLC

Annual Report and Accounts

Year ended 31 December 2002

CONTENTS

TAKEN OUT (not submitted for filing due to photos/charts)

DIRECTORS

Executive

Nigel Newton (47), is Chairman and Chief Executive. After two years as assistant to the sales director at Macmillan London, he joined Sidgwick & Jackson in 1977 where, during the next nine years, he became sales director and deputy managing director, before leaving to found Bloomsbury in 1986.

Liz Calder (65), is a Publishing Director of Bloomsbury, with responsibility for fiction, and a co-founder of Bloomsbury. She started her publishing career at Victor Gollancz in 1970 where she was publicity manager then editorial director. In 1978 she moved to Jonathan Cape as editorial director where she was responsible for the publishing of two Booker Prize Winners. She is a founding director of the Groucho Club and has served on the Literature Panel of the Arts Council.

Colin Adams ACA (42), is Group Finance Director and Company Secretary. He qualified as a chartered accountant with KPMG before joining CAM Galaxy Holdings Ltd as financial controller in 1989. In 1991 he joined Larousse PLC, the UK subsidiary of Groupe de la Cité SA, a large French publisher, as financial controller, before joining Bloomsbury in April 1994. He is also Finance Director of A&C Black (Publishers) Ltd.

Kathy Rooney (52), is a Publishing Director with responsibility for the Reference and Electronic Media Division. After receiving a First Class Honours degree from the University of Kent, she gained an MA and PhD at the University of Warwick. She worked for five years on the Collins German Dictionary, one of the innovative range of Collins bilingual dictionaries. After a period in illustrated book publishing, she was responsible for the Longman native-speaking dictionary list, including *Roget's Thesaurus* and a range of dictionary databases. She joined Bloomsbury in 1987 to set up the company's Reference Division, which has since published over 200 reference titles. She is Editor-in-Chief of the *Encarta World English Dictionary* which was published worldwide in 1999. It was the first dictionary to be written for print and electronic form and to reflect the status of English as the language of the world.

Alexandra Pringle (50), is Editor-in-Chief of the Adult Division. She has worked in publishing for twenty four years. In 1978 she joined Virago Press where she edited the famous Virago Modern Classics series. In 1984 she was made Editorial Director, later becoming part of the management team to steer Virago through their management buyout from Cape, Chatto & Bodley Head. In 1990 she joined Hamish Hamilton as Editorial Director and four years later became a literary agent with Toby Eady Associates before joining Bloomsbury in 1999. Her stable of authors included Barbara Trapido, Esther Freud and the prize-winning biographer Amanda Foreman. She joined the Board of Bloomsbury in February 2000.

Minna Fry (37), is Marketing Director with responsibility for the sales, marketing and publicity departments. She began her publishing career in 1990 at Secker & Warburg where she was Publicity Director, working with authors such as Irvine Welsh and Roddy Doyle. In 1993 she moved to Pan Macmillan where she was Publicity Director and then Marketing Director responsible for the Macmillan, Picador, Pan, Sidgwick & Jackson, Boxtree, and Channel 4 imprints. She joined the Board of Bloomsbury in June 2000.

Jill Coleman (46), is Managing Director of A&C Black. She joined the firm as an editor in 1980, and was appointed to the publishing board as Director for Children's Books in 1986. She joined the board of A&C Black in 1990 and became Joint Managing Director in 1995 and Managing Director in 2000. She is a council member of the Publishers' Association and is on the board of The Publishing Training Centre.

Sarah Odedina (42), is Publishing Director of the Bloomsbury children's list. She joined Bloomsbury in January 1997. She began her publishing career in 1988 in the rights department of Penguin Books. In 1992 she moved to the Watts Publishing Group where she was Rights Director of Watts non-fiction and Orchard fiction. This position was invaluable in providing the commercial training upon which she has built an exciting new role in editorial. She was appointed to the board in January 2002.

David Ward (43), is Sales Director of Bloomsbury. He has worked in publishing for twenty years, the last fifteen with Bloomsbury. He started his career as a sales representative for Alan Sutton Publishing, moving to Penguin Books in 1985. In 1987 he was approached to join the founding team at Bloomsbury as Sales Representative for the North of England and Scotland. He became the company's Key Accounts Manager in 1993 and was promoted to National Accounts Manager two years later. In March 1998 David Ward was appointed as Sales Director, overseeing a team of twelve people. He is responsible for sales across Bloomsbury's growing portfolio, including both adult and children's fiction and the rapidly expanding reference division. He was appointed to the Board in June 2002.

Non-executive

John Dare (64), has been a director since 1993. His background is investment banking and private equity primarily with the Barings Group until his retirement in 2000 after 30 years of service. Most recently he was the Managing Partner of Baring Private Equity Partners where he continues to serve as an advisor and non-executive Chairman. He is also a director of The Korea-Europe Fund Limited.

Paul Scherer (69), who joined the Board of Bloomsbury in 1993, was chief executive, and latterly chairman, of a major UK publisher from 1982 to his retirement at the end of 1995. He has a wealth of publishing knowledge gained from working in the industry for over forty years.

Michael Mayer (51), joined the Bloomsbury board in January 2002. He is a San Francisco-based venture capitalist, active in a variety of companies and industries in the U.S. Mr. Mayer was actively involved in the early development of AOL and has also been involved with many venture capital companies. He also has a long history of involvement in strategic acquisition transactions, which should prove helpful as the company seeks to grow through acquisition.

CORPORATE GOVERNANCE

Application of the Principles of Good Governance

The names of the directors and their respective responsibilities are shown on pages 12 and 13. The Board meets regularly and receives appropriate information from the management in advance of its meetings. Proposals to re-elect directors are set out in the Directors' Report on page 22 and in the Notice of the Annual General Meeting on page 56.

The Board formally approves the appointment of all new directors. All directors are required to submit themselves for re-election at the first Annual General Meeting following their appointment and subsequent to this at the Annual General Meeting on a rotational basis, which ensures that each director is submitted for re-election approximately every three years.

The composition of the Remuneration Committee is shown on page 16 and the statement of the remuneration policy developed by the Committee and details of each director's remuneration are given on pages 16 and 17 to 18 respectively.

The Board's assessment of the Company's position and prospects are set out in the Chairman's Statement on pages 3 to 8 and the Financial Review on pages 9 to 11. The composition of the Audit Committee is shown on page 15. The Audit Committee operates under terms of reference agreed by the whole Board and meets with the auditors to consider the Company's financial reporting in advance of its publication.

The Directors meet regularly with institutional shareholders to discuss the Company's performance and future prospects. The Annual General Meeting is used as a forum for communication with private investors.

The Board has reviewed the requirements of the Combined Code, as set out in the Listing Rules of the Financial Services Authority. The ways in which the Company applies and complies with the principles of the Code are described below, and in respect of remuneration, on pages 16 to 21. The Directors consider that they have complied throughout the year ending 31 December 2002 with the Combined Code except in relation to the following matters:

- The Chairman is also the Chief Executive of the Group but the presence of non-executive directors and each director having equal voting rights ensures a balance of power and authority on the Board.
- One of the non-executive directors, Paul Scherer, is non-executive chairman of a literary agency with which the Group has an ongoing trading relationship. In the opinion of the Board his independence is not impaired.
- Although there were only three non-executive directors during the year, the Board believes that they are of sufficient calibre and number for their views to carry significant weight in the Board's decisions and that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

CORPORATE GOVERNANCE
INTERNAL CONTROL

The Board has overall responsibility for the Group's system of internal control and for monitoring its effectiveness.

On behalf of the Board, the Audit Committee has examined the effectiveness of the system for the period covered by the accounts. The examination comprised a detailed review of internal controls with any significant findings or identified risks being closely examined so that appropriate action can be taken.

The annual budget and forecasts are reviewed by the Board prior to approval being given. This includes the identification and assessment of the business risks inherent in the Group and the publishing sector as a whole along with associated financial risks.

The Board maintains full control and direction over appropriate strategic financial, organisational and compliance issues, and has put in place an organisational structure with defined lines of responsibility and delegation of authority.

The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. The key procedures include:

- Detailed budgeting programme with an annual budget approved by the Board.
- Monthly review by the Board of actual results compared with budget and forecasts.
- Regular reviews by the Board of year end forecasts.
- Established procedures for acquisition of books for future publication, capital expenditure and expenditure incurred in the ordinary course of business.
- Detailed budgeting and monitoring of costs incurred on the development of reference databases.
- Established procedures for credit evaluation of new and existing customers with credit insurance on material customer accounts.
- Reporting to, and review by, the Board of changes in legislation and practices within the publishing sector and accounting and legal developments pertinent to the Group.

Audit Committee

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on, for meeting the auditors and for reviewing reports from the auditors relating to accounts and internal control systems. The Audit Committee comprises the three non-executive directors, John Dare (its Chairman), Paul Scherer and Michael Mayer.

Risk Management

The Board has established a committee to deal with the recommendations of the Turnbull Committee on Risk Management. The committee meets regularly to assess the risks facing the business. As a result of this exercise, the existing controls are reviewed and new controls implemented where appropriate in those areas where risks are judged to have the greatest likelihood and impact. Consequently the directors believe that the Group was compliant with the Turnbull Guidelines throughout the year.

DIRECTORS' REMUNERATION REPORT

The Remuneration Committee at 31 December 2002 comprised the three non-executive directors, Paul Scherer (its Chairman), John Dare and Michael Mayer.

Compliance

The constitution and operation of the Committee is in compliance with the principles which are now incorporated in Section A of the best practice provisions derived from the Code of Best Practice, as annexed to the Listing Rules of the Financial Services Authority, except that Nigel Newton was a member of the Committee during the year. The Committee also confirms that full consideration has been given to the best practice provisions set out in Section B, annexed to the Listing Rules, in determining the remuneration packages for the executive directors for 2002 and 2003.

During the year the Remuneration Committee received advice from New Bridge Street Consultants on the comparability of the remuneration packages of the executive directors with those in similar organisations.

Policy on remuneration of executive directors

The Remuneration Committee reviews the performance of executive directors and sets the scale and structure of their remuneration and the basis of their service agreements with due regard to the interests of shareholders. In determining that remuneration the Remuneration Committee seeks to maintain a competitive programme to maintain the highest calibre of its executive board.

The main components of the executive directors' remuneration are:

1) Basic salary

Basic salary for each director is determined by the Remuneration Committee taking into account the performance of the individual and external market data.

2) Annual bonus

The Group operates a profit-related bonus scheme for its executive directors. The amount payable to directors is determined by a combination of performance criteria and the increase in the basic earnings per share before goodwill amortisation over the basic earnings per share before goodwill amortisation result achieved in the preceding year. The bonus, which is not pensionable, is limited to 50% of basic salary as at the end of the financial year for Nigel Newton and Colin Adams and 25% of the basic salary as at the end of the financial year for the rest of the executive board.

3) Pension contributions

The Group does not operate a pension scheme, but the directors receive a contribution of 10% of their basic salary to their private pension scheme. Liz Calder receives a contribution of 18% of her basic salary to her private pension scheme.

4) Share options

The Group believes that share ownership by executive directors strengthens the link between their personal interests and those of the shareholders.

Contracts of service

All the executive directors, with the exception of Nigel Newton, have service contracts which are terminable by either party giving to the other not less than twelve months' written notice. Nigel Newton has a service contract which is terminable by either party giving to the other not less than twelve months' written notice, such notice to expire on or after the date falling three years after the commencement date of 24 June 2000. In recognition of the pivotal role played by Mr Newton in the continuing development of the business, which he founded, the Remuneration Committee considered that the Group's interests would be best served if Mr Newton's service contract had an initial fixed term of three years upon its renewal in 2000. The non-executive directors, John Dare, Paul Scherer and Michael Mayer, do not have service contracts.

Mr Adams's contract is dated 24 September 2002, Mr Ward's contract is dated 27 June 2002, Ms Coleman's contract is dated 1 June 2002, Ms Rooney's contract is dated 1 May 2002, Ms Pringle's contract is dated 26 April 2002, Ms Calder's contract is dated 24 December 2002, Ms Odedina's contract is dated 23 January 2003 and Ms Fry's contract is dated 22 June 2002.

There are no specific provisions for compensation on early termination of service contracts. Compensation on early termination may be payable by the Company by agreement between the Company and the director and with the approval of the Remuneration Committee.

Policy on remuneration of non-executive directors

The remuneration of the non-executive directors is set by the Board as a whole.

Directors' emoluments

	2002 £'000	2001 £'000
Salaries	**1,041**	778
Pension contributions	**109**	86
Fees	**75**	50
Profit related bonus	**311**	274
Non – profit related bonus	**–**	165
Benefit on exercise of share options	**484**	290
Other emoluments	**98**	70
	2,118	1,713

Directors' emoluments including benefits in kind and pension contributions paid by the Group are as follows:

		Basic salary or fees 2002 £'000	Bonus - profit related 2002 £'000	Share options exercised 2002 £'000	Other benefits[1] 2002 £'000	Total (excluding pension contributions) 2002 £'000	Pension contributions 2002 £'000
Chairman	J N Newton	188	98	–	15	301	19
Executive Directors	A V Wherry	98	–	225	19	342	9
	E N Calder	103	26	210	7	346	19
	C R Adams	124	65	–	8	197	11
	K M Rooney	103	18	–	7	128	10
	A J R Pringle	95	25		7	127	9
	M N Fry	85	24	–	7	116	8
	S E Odedina	91	24	49	6	170	9
	D H Ward	40	2	–	12	54	4
	D J Coleman	114	29	–	10	153	11
Non-executive Directors	J A Dare	25	–	–	–	25	–
	P J Scherer	25	–	–	–	25	–
	M J Mayer	25	–	–	–	25	–
		1,116	**311**	**484**	**98**	**2,009**	**109**

Directors' Remuneration Report

Directors' emoluments (continued)

Directors' emoluments including benefits in kind and pension contributions paid by the Group during the previous financial year are as follows:

		Basic salary or fees 2001 £'000	Bonus - profit related 2001 £'000	Bonus - non-profit related 2001 £'000	Share options exercised 2001 £'000	Other benefits[1] 2001 £'000	Total (excluding pension contributions) 2001 £'000	Pension contributions 2001 £'000
Chairman	J N Newton	161	82	40	145	15	443	16
Executive Directors	A V Wherry	89	24	20	-	13	146	8
	E N Calder	93	24	20	145	6	288	17
	C R Adams	108	55	25	-	6	194	11
	K M Rooney	92	24	20	-	6	142	9
	A J R Pringle	72	18	20	-	7	117	7
	M N Fry	72	19	20	-	7	118	7
	D J Coleman	90	28	-	-	10	128	11
Non-executive Directors	J A Dare	25	-	-	-	-	25	-
	P J Scherer	25	-	-	-	-	25	-
	C A A Black	1	-	-		-	1	-
		828	274	165	290	70	1,627	86

(1)Benefits - the company provides a motor vehicle and medical insurance cover for all executive directors.

C R Adams, K M Rooney and D J Coleman serve as executive directors of A&C Black (Publishers) Limited. Included above are the following emoluments paid during the year:

- salaries to C R Adams and K M Rooney of £20,000 and £6,000 respectively paid by A&C Black (Publishers) Limited (2001, £18,000 and £5,000 respectively); and
- salary to D J Coleman of £6,000 paid by Bloomsbury Publishing Plc (2001, £5,000).

Prior to his resignation as a director on 30 November 2002, A V Wherry entered into a consultancy agreement with the Company advising on acquisitions, management, administrative and corporate issues. Under the terms of the agreement the Company is committed to paying him a fee of £15,000 per month for a period of one year from 9 December 2002 and to settling the amount of £20,000 owed to the leasing company on his car.

Directors' interests in share options

The following options have been granted to the directors over Ordinary Shares in the Company:

	At 1 January 2002 or date of appointment if later	Granted during the year	Exercised during the year	At 31 December 2002	Exercise price	Date from which exercisable	Expiry Date
J N Newton	200,000	–	–	200,000	265p	6 July 2002	5 July 2006
J N Newton	100,000	–	–	100,000	881p	4 October 2003	3 October 2007
J N Newton	30,000	–	–	30,000	702p	5 April 2004	4 April 2008
J N Newton	–	20,000	–	20,000	574p	23 Sept 2005	22 Sept 2009
E N Calder	150,000	–	(50,000)	100,000	265p	6 July 2002	5 July 2006
E N Calder	50,000	–	–	50,000	881p	4 October 2003	3 October 2007
E N Calder	4,273	–	–	4,273	702p	5 April 2004	4 April 2011
E N Calder	14,727	–	–	14,727	702p	5 April 2004	4 April 2008
E N Calder	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
C R Adams	404	–	–	404	83p	7 May 2001	6 May 2008
C R Adams	19,324	–	–	19,324	83p	7 May 2001	6 May 2005
C R Adams	100,000	–	–	100,000	265p	6 July 2002	5 July 2006
C R Adams	50,000	–	–	50,000	881p	4 October 2003	3 October 2007
C R Adams	4,225	–	–	4,225	702p	5 April 2004	4 April 2011
C R Adams	14,775	–	–	14,775	702p	5 April 2004	4 April 2008
C R Adams	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
K M Rooney	7,229	–	–	7,229	103.8p	24 June 1997	23 June 2004
K M Rooney	10,117	–	–	10,117	102p	13 May 1999	12 May 2006
K M Rooney	14,240	–	–	14,240	83p	7 May 2001	6 May 2008
K M Rooney	6,500	–	–	6,500	83p	7 May 2001	6 May 2005
K M Rooney	100,000	–	–	100,000	265p	6 July 2002	5 July 2006
K M Rooney	50,000	–	–	50,000	881p	4 October 2003	3 October 2007
K M Rooney	19,000	–	–	19,000	702p	5 April 2004	4 April 2008
K M Rooney	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
A J R Pringle	12,765	–	–	12,765	235p	4 May 2002	3 May 2009
A J R Pringle	7,235	–	–	7,235	235p	4 May 2002	3 May 2006
A J R Pringle	17,500	–	–	17,500	695p	2 June 2003	1 June 2007
A J R Pringle	15,000	–	–	15,000	702p	5 April 2004	4 April 2008
A J R Pringle	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
M N Fry	7,194	–	–	7,194	417p	11 October 2002	10 October 2009
M N Fry	12,806	–	–	12,806	417p	11 October 2002	10 October 2006
M N Fry	17,500	–	–	17,500	695p	2 June 2003	1 June 2007
M N Fry	15,000	–	–	15,000	702p	5 April 2004	4 April 2008
M N Fry	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
S E Odedina	10,808	–	(10,808)	–	235p	4 May 2002	3 May 2006
S E Odedina	9,192	–	–	9,192	235p	4 May 2002	3 May 2009
S E Odedina	15,000	–	–	15,000	695p	2 June 2003	1 June 2007
S E Odedina	10,000	–	–	10,000	702p	5 April 2004	4 April 2008
S E Odedina	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
D H Ward	5,058	–	–	5,058	83p	7 May 2001	6 May 2008
D H Ward	8,797	–	–	8,797	235p	4 May 2002	3 May 2009
D H Ward	11,203	–	–	11,203	235p	4 May 2002	3 May 2006
D H Ward	738	–	–	738	695p	2 June 2003	1 June 2010
D H Ward	9,262	–	–	9,262	695p	2 June 2003	1 June 2007
D H Ward	–	11,000	–	11,000	574p	23 Sept 2005	22 Sept 2009
D J Coleman	3,405	–	–	3,405	881p	4 October 2003	3 October 2010
D J Coleman	46,595	–	–	46,595	881p	4 October 2003	3 October 2007
D J Coleman	15,000	–	–	15,000	881p	5 April 2004	4 April 2008
D J Coleman	–	11,000	–	11,000	702p	23 Sept 2005	22 Sept 2009

Directors' interests

a) Interests in shares

The directors who held office at the year end had the following interests in the share capital of the Company. All shareholdings are beneficial.

	Ordinary shares of 5 pence each	
	31 December 2002	31 December 2001 or date of appointment if later
	Number	Number
J N Newton	**780,646**	780,646
C R Adams	**35,549**	35,549
M J Mayer	**19,170**	19,170
K M Rooney	**12,150**	12,150
E N Calder	**8,622**	9,598
P J Scherer	**7,333**	7,333
D J Coleman	**6,477**	6,076
D H Ward	**2,508**	2,508
J A Dare	**1,466**	1,466
S E Odedina	**117**	117
A J R Pringle	**–**	–
M N Fry	**–**	–

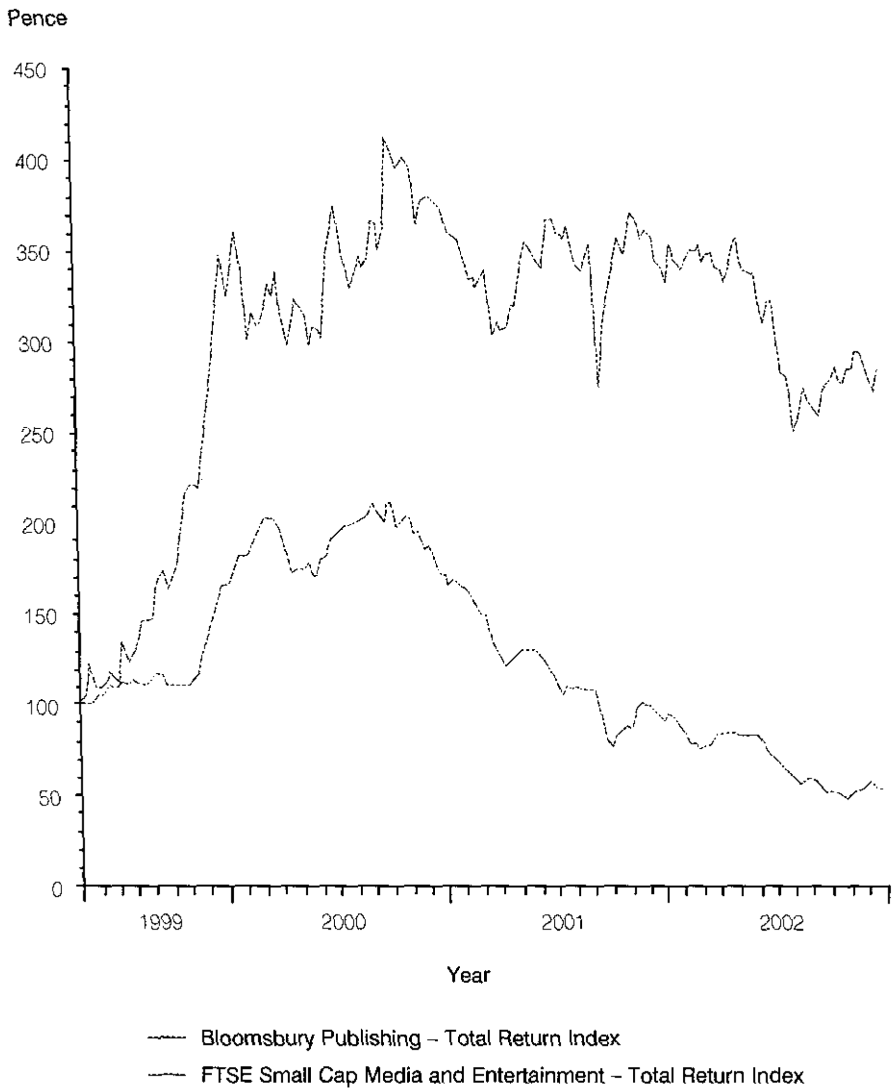
The market price of the shares at 31 December 2002 was 652.5p (2001, 793.5p) and the range from 1 January 2002 to the end of the year was 550p to 842.5p (2001, 632.5p to 872.5p). Between 31 December 2002 and 19 March 2003, K M Rooney exercised 31,586 share options and A J R Pringle exercised and sold 12,765 share options. Their holdings following these transactions were 43,736 shares and nil shares respectively. There have been no changes to the interests of the other directors between 31 December 2002 and 19 March 2003.

b) Other interests

Paul Scherer is non-executive chairman of Curtis Brown Group Limited, a literary agency with which the Group has an ongoing trading relationship.

Save for the aforesaid, no director has or has had any interest, direct or indirect, in any transaction, contract or arrangement (excluding service agreements), which is or was unusual in its nature or conditions or significant to the business of the Group during the current or immediately preceding financial year.

Total shareholder return – performance graph



Source: DATASTREAM

The graph above shows the Group's total shareholder return from April 1999 to 31 December 2002 together with the FTSE small cap media and entertainment sector index. The index, which was re-based in April 1999 and for which figures are not availible before then, is considered to be the most appropriate comparative index for the Company.

On behalf of the Board
Paul Scherer
Chairman of the Remuneration Committee, 19 March 2003

DIRECTORS' REPORT

Principal activities

The principal activities of the Group are the publication of books and the development of electronic reference databases.

Review of developments

The Chairman's Statement and Financial Review contain a review of the Group's business and activities during the year, its financial position at the end of the year and the likely future developments.

Results and dividends

The results of the Group for the year are set out on pages 27 to 52. On 22 November 2002, an interim dividend of 1.65 pence (net) per Ordinary Share was paid. The directors recommend the payment of a final dividend of 5.52 pence (net) per Ordinary Share payable on 4 July 2003 to Ordinary Shareholders on the register at the close of business on 23 May 2003. After accounting for this proposed dividend, retained profits of £5,490,000 (2001, £4,833,000) have been transferred to reserves.

Directors

The directors who served during the year were:

J N Newton	Executive Chairman and Chief Executive
E N Calder	Publishing Director
A V Wherry	Director - Bloomsbury USA (resigned 30 November 2002)
C R Adams ACA	Group Finance Director
K M Rooney	Publishing Director, Reference and Electronic Media
M N Fry	Marketing Director
A J R Pringle	Editor-in-Chief and Publishing Director, Adult
S E Odedina	Publishing Director, Children's Books (appointed 24 January 2002)
D H Ward	Sales Director (appointed 27 June 2002)
D J Coleman	Managing Director A&C Black (Publishers) Limited
J A Dare	Non-executive Director
P J Scherer	Non-executive Director
M J Mayer	Non-executive Director (appointed 24 January 2002)

The directors' interests are set out in the Directors' Remuneration Report on pages 16 to 21.

At the Annual General Meeting, David Ward, having been appointed since the last Annual General Meeting, retires in accordance with the terms of the Articles of Association and, being eligible, offers himself for re-election. Colin Adams, John Dare and Paul Scherer will retire by rotation in accordance with the articles of association of the Company, and being eligible, offer themselves for re-election. As referred to on page 16, each of the executive directors has a service contract with the Group terminable by either party on not less than twelve months' notice. John Dare and Paul Scherer, who are non-executive directors, do not have service contracts.

Directors' remuneration

The Directors' Remuneration Report is set out on pages 16 to 21.

Substantial shareholdings

The directors have been notified of the following holdings of Ordinary Shares in excess of 3% of the issued Ordinary Share capital at 19 March 2003:

	Number	Percentage
Standard Life Investments	1,234,998	7.28%
Threadneedle Asset Management Limited	906,000	5.34%
Legal and General Investment Management Limited	830,908	4.90%
Universities Superannuation Scheme Limited	581,500	3.43%

Share capital

On 27 June 2002, resolutions were passed by the Company's shareholders whereby the directors were given authority, under Section 80 of the Companies Act 1985, until the conclusion of the 2003 Annual General Meeting to allot shares up to a maximum of the authorised but unissued share capital of the Company. The directors recommend by Resolution 8 to be proposed at the forthcoming Annual General Meeting that this authority should be extended so that it applies until the conclusion of the next Annual General Meeting of the Company. If Resolution 8 is approved by shareholders the directors will have authority to allot up to 6,036,049 Ordinary Shares, representing 35.6% of the Ordinary Shares currently in issue, of which 2,019,421 (11.9% of the Ordinary Shares currently in issue) are reserved for issue under the Company's share option schemes. The balance available for allotment is therefore 4,016,628 Ordinary Shares, representing 23.7% of the Ordinary Shares currently in issue. The directors have no present intention of exercising the authority except in connection with the issue of shares under the Company's share option schemes. The authority, if granted, will expire on the conclusion of the next Annual General Meeting of the Company after the passing of the proposed Resolution 8, unless previously varied, revoked or renewed by the Company in general meeting.

In addition, the directors were given authority under Section 95 of the Companies Act 1985, until the conclusion of the 2003 Annual General Meeting, to allot equity securities for cash, other than to existing shareholders in proportion to their holding, in connection with a rights issue, pursuant to the terms of employees' share schemes approved by the members in general meeting and, in addition, up to an aggregate nominal amount being equal to 5% of the issued Ordinary Share capital. The directors recommend by Resolution 9, to be proposed at the forthcoming Annual General Meeting, that this authority should be renewed until the conclusion of the next Annual General Meeting or fifteen months from the date of passing of the proposed Resolution 8, whichever is the earlier, unless previously varied, revoked or renewed by the Company in general meeting.

Resolution 10 will be proposed as a special resolution to renew the existing authority for the Company to make purchases of its own shares. The maximum number of Ordinary Shares, which may be purchased pursuant to the authority, is 848,198 being equal to 5% of the issued share capital of the Company as at the date of the passing of the resolution. The total number of options to subscribe for equity shares that are outstanding as at 19 March 2003 is 2,019,421 being 11.9% of the share capital at that date; and if the full authority to buy back shares is used, the options will represent 12.5% of the equity share capital. The minimum price which may be paid for an Ordinary Share is 5 pence (exclusive of expenses). The maximum price which may be paid for an Ordinary Share (exclusive of expenses) shall be an amount equal to 105% of the average of the middle market quotations for the Company's ordinary shares for the 5 business days immediately preceding the date of purchase.

The directors consider that the authority proposed to be granted by Resolution 10 is necessary in order to increase the earnings per share of the Group, although they have no intention of exercising the authority at the present time. This authority, if conferred, will only be exercised if to do so would result in an increase in the earnings per share and is in the best interests of shareholders generally.

The directors recommend that shareholders vote in favour of Resolutions 8, 9 and 10, which are, in the opinion of the directors, in the best interests of the shareholders as a whole.

Insurance of company officers

The Group has maintained insurance throughout the year for its directors and officers against the consequences of actions brought against them in relation to their duties for the Group.

Charitable and political donations

Charitable donations of £85,350 were made during the year (2001, £49,380). No political donations were made during the year or in the previous financial year.

Policy on supplier payments

The Group aims to pay all its suppliers within a reasonable period of their invoices being received and approved, provided that the supplier has performed in accordance with the relevant terms and conditions. At 31 December 2002, the number of days' credit taken for purchases by the Group was 65 days (2001, 71 days).

Social and Environmental Responsibility and Health and Safety

The Company continues to operate in pursuit of good environmental and health standards. The Board takes regular account of the significance of social, environmental and ethical issues and has identified and assessed significant risks to the Company's short and long-term value arising from these matters. The Board received adequate information to make such an assessment and has in place systems for managing any significant risks.

Auditors

A resolution to reappoint Baker Tilly as auditors will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board
C R Adams ACA, Secretary, 19 March 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year and of the profit or loss of the Group for that period.

The directors consider that in preparing the financial statements on pages 27 to 52 the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all Accounting Standards which they consider to be applicable have been followed.

The directors are responsible for ensuring that the Directors' Report, the Directors' Remuneration Report and other information included in the Annual Report are prepared in accordance with Company Law in the United Kingdom.

The directors have responsibility for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group as a whole will continue in business.

On behalf of the Board
C R Adams ACA, Secretary, 19 March 2003

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLOOMSBURY PUBLISHING Plc

We have audited the financial statements on pages 27 to 52. We have also audited the information set out on pages 17 to 19 in the Directors' Remuneration Report.

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 auditor's 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
The directors' responsibilities for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements and the part of the Directors' Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Directors' Remuneration Report to be audited have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 information specified by law regarding directors' remuneration and transactions with the Company and other members of the Group is not disclosed.

We review whether the Corporate Governance Statement reflects the Company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules of the Financial Services Authority, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Five Year Financial Summary, the Chairman's Statement, the Financial Review, the Directors' Biographies, the Corporate Governance and Internal Control Statements, the unaudited part of the Directors' Remuneration Report, the Directors' Report, the Statement of Directors' Responsibilities, the Statement of Directors, Secretary and Advisers, the Financial Calendar, the Shareholder Information and the Notice of the Annual General Meeting. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion
We conducted our audit in accordance with United Kingdom 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 financial statements and the part of the Directors' Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group'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 financial statements and the part of the Directors' Remuneration Report to be audited 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 financial statements and the part of the Directors' Remuneration Report to be audited.

Opinion
In our opinion:
- the financial statements give a true and fair view of the state of the Group's and the Company's affairs as at 31 December 2002 and of the Group's profit for the year then ended; and
- the financial statements and the part of the Directors' Remuneration Report to be audited have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

Baker Tilly, Registered Auditor and Chartered Accountants
London, 19 March 2003

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2002

	Notes	2002 Continuing operations £'000	2002 Aquisitions £'000	2002 Total £'000	2001 Total £'000
Turnover	1	67,036	980	68,016	61,140
Cost of sales		(39,378)	(386)	(39,764)	(34,086)
Gross profit		27,658	594	28,252	27,054
Marketing and distribution costs		(7,636)	(135)	(7,771)	(8,482)
Administrative expenses: - goodwill		(459)	(903)	(1,362)	(600)
- other		(10,121)	(218)	(10,339)	(10,096)
Operating profit	2	9,442	(662)	8,780	7,876
Net interest receivable	3			982	877
Profit on ordinary activities before taxation				9,762	8,753
Taxation on profit on ordinary activities	5			(3,061)	(2,852)
Profit on ordinary activities after taxation				6,701	5,901
Dividends	6			(1,211)	(1,068)
Profit for the financial year transferred to reserves	17			5,490	4,833
Basic earnings per share	7			39.48p	34.86p
Diluted earnings per share	7			37.04p	32.50p
Basic earnings per share before goodwill amortisation	7			46.17p	38.41p
Diluted earnings per share before goodwill amortisation	7			43.32p	35.80p

Note

All turnover and results arose from continuing operations.

There were no recognised gains or losses in either year other than the profit for the year and on this basis a statement of total recognised gains and losses has not been prepared.

CONSOLIDATED BALANCE SHEET

at 31 December 2002

	Notes	2002 £'000	2001 £'000
Fixed assets:			
Intangible assets	8	**11,162**	11,067
Tangible assets	9	**1,176**	1,139
		12,338	12,206
Current assets:			
Stocks	11	**11,311**	12,493
Debtors due within one year	12	**20,822**	26,165
Debtors due after more than one year	12	**4,058**	3,859
Cash at bank and in hand		**19,174**	16,792
		55,365	59,309
Creditors: amounts falling due within one year	13	**18,683**	26,441
Net current assets		**36,682**	32,868
Total assets less current liabilities		**49,020**	45,074
Creditors: amounts falling due after more than one year	14	**438**	279
Provisions for liabilities and charges	15	**302**	1,166
		48,280	43,629
Equity capital and reserves:			
Called up share capital	16	**845**	848
Share premium account	17	**31,656**	31,273
Capital redemption reserve	17	**20**	9
Profit and loss account	17	**15,759**	11,499
Total shareholders' funds		**48,280**	43,629

The financial statements were approved by the Board of Directors on 19 March 2003.

J N Newton Director

C R Adams Director

COMPANY BALANCE SHEET
at 31 December 2002

	Notes	2002 £'000	2001 £'000
Fixed assets:			
Intangible assets	8	**695**	–
Tangible assets	9	**550**	560
Investments	10	**16,435**	16,433
		17,680	16,993
Current assets:			
Stocks	11	**7,350**	9,347
Debtors due within one year	12	**16,685**	22,859
Debtors due after more than one year	12	**4,058**	3,859
Cash at bank and in hand		**18,358**	16,041
		46,451	52,106
Creditors: amounts falling due within one year	13	**15,127**	24,348
Net current assets		**31,324**	27,758
Total assets less current liabilities		**49,004**	44,751
Creditors: amounts falling due after more than one year	14	**438**	279
Provisions for liabilities and charges	15	**250**	980
		48,316	43,492
Equity capital and reserves:			
Called up share capital	16	**845**	848
Share premium account	17	**31,656**	31,273
Capital redemption reserve	17	**20**	9
Profit and loss account	17	**15,795**	11,362
Total shareholders' funds		**48,316**	43,492

The financial statements were approved by the Board of Directors on 19 March 2003.

J N Newton Director

C R Adams Director

RECONCILIATION OF MOVEMENTS IN CONSOLIDATED SHAREHOLDERS' FUNDS

for the year ended 31 December 2002

	2002 £'000	2001 £'000
Profit on ordinary activities after taxation	6,701	5,901
Dividends	(1,211)	(1,068)
Purchase of own shares	(1,230)	-
Share options excercised	391	49
Net addition to shareholders' funds	4,651	4,882
Opening shareholders' funds	43,629	38,747
Closing shareholders' funds	48,280	43,629

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2002

	Notes	2002 £'000	2001 £'000
Net cash inflow from operating activities	19 (a)	**12,011**	12,506
Returns on investments and servicing of finance			
Interest paid		**(53)**	(68)
Interest received		**1,035**	945
Net cash inflow from returns on investments and servicing of finance		**982**	877
Taxation			
Tax paid		**(5,083)**	(2,716)
Capital expenditure			
Purchase of tangible fixed assets		**(372)**	(320)
Sale of tangible fixed assets		**22**	16
		(350)	(304)
Acquisitions			
Purchase of subsidiary undertaking		**(703)**	–
Purchase of publishing assets		**(1,359)**	-
		(2,062)	-
Equity dividends paid		**(1,092)**	(930)
Financing			
Repayment of loans		**(1,185)**	(210)
Purchase of own shares		**(1,230)**	–
Share options exercised (net of expenses)		**391**	97
Net cash outflow from financing		**(2,024)**	(113)
Increase in cash	19 (b)	**2,382**	9,320

ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

(b) Goodwill

Goodwill, being the excess of the fair value of assets acquired over the cost of acquisition, is capitalised and written off over a period not exceeding 20 years.

(c) Turnover

Turnover represents the amount derived from the provision of goods, services and rights falling within the Group's ordinary activities, after deduction of trade discounts, value added tax and anticipated returns. Income from book publishing is recognised from the date of invoice. Income from the sale of publishing and distribution rights, including film, paperback, electronic, overseas publishing rights and sponsorship, is recognised net of associated costs at the time such sales are achieved.

(d) Stock and work in progress

Stock and work in progress comprises paper, sheets and bound stock. Cost represents the amounts invoiced to the Group for paper, origination, printing and binding. Unsold stock is written down in order to reduce stock to the lower of cost and net realisable value.

(e) Depreciation

Tangible fixed assets are depreciated in order to write down their cost by equal annual instalments over their expected useful lives at the following rates:

Freehold buildings	-	2% per annum
Leasehold improvements	-	7 - 17% per annum
Furniture and fittings	-	10% per annum
Computer equipment	-	20% per annum
Other office equipment	-	20% per annum
Motor vehicles	-	25% per annum

Freehold land is not depreciated.

Depreciation is pro-rated in the years of acquisition and disposal of assets.

(f) Royalty advances to authors

Advances to authors are written off to the extent that, in the directors' view, they are not covered by anticipated future sales or firm contracts for subsidiary rights receivable.

(g) Deferred taxation

Provision is made for deferred taxation on all timing differences between profit as disclosed in the financial statements and as computed for taxation purposes. The provision is made at the rate of corporation tax expected to apply when the timing differences are expected to reverse. Deferred tax assets are only included in the accounts where recovery is more likely than not.

(h) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the actual rate applicable at the transaction date. Exchange differences on such transactions are dealt with through the profit and loss account.

(i) Operating leases

Operating lease rentals are charged to the profit and loss account as they fall due.

(j) Pension costs

Pension costs relate to defined contribution pension schemes and are charged to the profit and loss account in the period for which contributions are payable. Until 1997 a subsidiary company operated a defined benefits scheme, details of which are shown in note 4.

(k) Group accounts

The consolidated accounts comprise the accounts of the Company and its subsidiaries at the year end. The results of the subsidiaries are accounted for in the profit and loss account from the date of acquisition. As permitted by section 230 of the Companies Act, the profit and loss account of the parent company is not presented as part of these accounts.

NOTES TO THE ACCOUNTS

1. Geographical analysis of turnover

The directors regard the Group's business as a single segment. Its profit and turnover arise principally in the United Kingdom where its assets are mainly located. The table below analyses turnover by destination:

	2002 £'000	2001 £'000
United Kingdom	49,300	38,579
North America	8,962*	7,736*
Continental Europe	3,402	5,953
Australasia	3,521	5,118
Others	2,831	3,754
	68,016	61,140

* Sales in North America include the turnover from Bloomsbury USA, co-edition sales and the sale of rights and licenses to third parties.

In the directors' opinion, disclosure of the analysis of the profit before tax by geographical segment would be seriously prejudicial to the Group.

2. Operating profit

Operating profit is stated after charging / (crediting) the following amounts:

	2002 £'000	2001 £'000
Auditors' remuneration:		
Statutory audit	68	69
Other services	65	47
Depreciation	316	268
Goodwill amortisation	1,503	600
Adjustment to goodwill arising in previous years	(141)	-
Profit on disposal of tangible fixed assets	(3)	(6)
Operating lease costs:		
Hire of plant and machinery	41	44
Other operating leases	797	633
Exchange loss / (gain)	166	(135)

The adjustment to the goodwill arising in previous years reflects a reassessment of the fair value of certain advances to authors on the acquisition by A&C Black (Publishers) Limited of the publishing assets of Pica Press. As the acquisition took place in 2000, in accordance with Financial Reporting Standard 7 the adjustment has been credited to the profit and loss account.

3. Net interest receivable

	2002 £'000	2001 £'000
Loan notes	31	68
Other interest payable	22	–
	53	68
Interest receivable	(1,035)	(945)
	(982)	(877)

4. Directors and employees

Staff costs during the year were:

	2002 £'000	2001 £'000
Salaries	6,394	5,691
Social security costs	476	475
Other pension costs	359	316
	7,229	6,482
The average number of employees during the year was:	228	210

Full details concerning directors' emoluments, shareholdings, options and other interests are shown in the Directors' Remuneration Report on pages 16 to 21.

Pension costs

The pension costs summarised above relate to the Group's defined contribution pension arrangements.

Additional disclosures regarding defined benefit pension schemes are required under the transitional provisions of Financial Reporting Standard (FRS) 17 'Retirement Benefits', and these are set out below. The disclosures relate to the second year of the transitional provisions. Disclosures relating to the defined benefit scheme set out below have not been incorporated into the accounts, but provide information that will be necessary for full implementation of FRS 17 in the year ending 31 December 2005.

A subsidiary company operates a defined benefit scheme for some staff. Accrual of benefits ceased in 1997, with the scheme now being operated as a closed fund. A full actuarial valuation was carried out as at 1 January 2001 and updated to 31 December 2002 by a qualified independent actuary.

At the date of the last completed independent actuarial valuation, which was 1 January 2001, the market value of the assets of the scheme was £287,000. The actuary advised that at that date the actuarial valuation of the assets of the scheme was sufficient to cover 87% of the benefits that had accrued to members, after allowing for expected increases in earnings. The scheme is actuarially valued every three years. The next valuation of the scheme is due at 1 January 2004.

No contributions are currently being paid to the scheme, other than to cover expenses. Contributions are paid by the employer as and when required to cover any expenses of the scheme.

4. Directors and employees (continued)

The major assumptions used by the actuary for the update were as follows:

	31 December 2002	31 December 2001
Rate of increase in salaries	**not applicable**	not applicable
Rate of increase in pensions in payment	**0.00%**	0.00%
Discount rate	**5.40%**	5.75%
Inflation assumption	**2.40%**	2.70%

The assets of the scheme and the expected rate of return were:

	Value at 31 Dec 2002 £'000	Long-term rate of return	Value at 31 Dec 2001 £'000	Long-term rate of return
Total value of assets (with profit policy)	**352**	6.5% per annum	381	7% per annum
Present value of scheme liabilities	**(404)**		(418)	
Deficit before taxation	**(52)**		(37)	
Deferred taxation	**16**		11	
Deficit after taxation	**(36)**		(26)	

The net assets of the Group and the analysis of the Group's distributable reserves including the defined benefit pension scheme deficit would be as follows:

	2002 £'000	2001 £'000
Net assets excluding pension liability	**48,280**	43,629
Pension liability	**(36)**	(26)
	48,244	43,603
Profit and loss reserve excluding pension liability	**15,759**	11,499
Pension reserve	**(36)**	(26)
Profit and loss reserve including pension liability	**15,723**	11,473

4. Directors and employees (continued)

Analysis of the amount that would be charged to operating profit:

	2002 £'000
Current service cost	9
Past service cost	-
Curtailment and settlement cost	-
Total operating charge	9

As the scheme is closed, the current service cost is likely to rise in future years as members approach retirement.

Analysis of the amount that would be charged to other finance income:

	2002 £'000
Expected return on pension scheme assets	25
Interest on pension scheme liabilities	(23)
Net return	2

Analysis of the amount that would be recognised in the statement of total recognised gains and losses (STRGL):

	2002 £'000
Actual return less expected return on pension scheme assets	(5)
Experience gains and losses arising on the scheme's liabilities	3
Changes in assumptions underlying the present value of the scheme's liabilities	(15)
Actuarial loss recognised in STRGL	(17)

Movement in surplus during the year was as follows:

	2002 £'000
Deficit in scheme at beginning of the year before taxation	(37)
Movement in year:	
Current service cost	(9)
Contributions	9
Past service cost	-
Curtailments and settlements cost	-
Other finance income	2
Actuarial loss	(17)
Deficit in scheme at end of the year before taxation	(52)

The disclosures required by paragraph 86 of FRS 17 are as follows:

	2002
Difference between the expected and actual return on scheme assets:	
Amount (£'000)	(5)
Percentage of scheme assets	(1%)
Experience gains and losses on scheme liabilities:	
Amount (£'000)	3
Percentage of the present value of the scheme liabilities	1%
Total amount recognised in statement of total recognised gains and losses:	
Amount (£'000)	(17)
Percentage of the present value of the scheme liabilities	(4%)

5. Taxation

(a) Tax charge for the year

	2002 £'000	2001 £'000
Based on the profit for the year:		
Corporation tax at 30%	3,933	4,626
Less double tax relief	(30)	(18)
	3,903	4,608
Over provision in respect of prior year	(8)	(937)
Overseas taxation - current year	30	18
	3,925	3,689
Deferred tax (note 15)	(864)	(837)
	3,061	2,852

(b) Factors affecting tax charge for the year

The tax assessed for the period is different from the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2002 £'000	2001 £'000
Profit on ordinary activities before tax	9,762	8,753
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	2,929	2,626
Effects of:		
Expenses not deductible for tax purposes (primarily goodwill amortisation)	223	278
Difference between depreciation and capital allowances for period in excess of depreciation	1	(1)
Utilisation of tax losses	(74)	(26)
Reversal of authors' advances deducted against corporation tax in prior years	134	1,312
Reversal of database development costs deducted against corporation tax in prior years	727	441
Marginal small companies' rate relief in subsidiary companies	(7)	(4)
Adjustment to tax charge in respect of previous periods	(8)	(937)
Corporation tax charge for the year	3,925	3,689

6. Dividends

	2002 £'000	2001 £'000
Interim, paid 22 November 2002 (2001: 23 November 2001)	278	254
Final proposed 5.52p per share (2001: 4.8p)	933	814
	1,211	1,068

7. Earnings per share

Basic earnings per share has been calculated by reference to earnings of £6,701,000 (2001, £5,901,000) and a weighted average number of Ordinary Shares in issue of 16,974,894 (2001, 16,926,075). The diluted earnings per share has been calculated by reference to a weighted average number of Ordinary Shares in issue of 18,090,947 (2001, 18,158,383). Basic and diluted earnings per share excluding goodwill and the tax effect thereof have been calculated by reference to earnings of £7,837,000 (2001, £6,501,000).

The reconciliation between the weighted average number of shares for the basic earnings per share and the diluted earnings per share is as follows:

	2002 Number	2001 Number
Weighted average number of shares for basic earnings per share	16,974,894	16,926,075
Dilutive effect of share options	1,116,053	1,232,308
Weighted average number of shares for diluted earnings per share	18,090,947	18,158,383

The reconciliation between earnings before and after goodwill amortisation is as follows:

	2002 £'000	2001 £'000
Earnings after goodwill amortisation	6,701	5,901
Goodwill amortisation	1,503	600
Adjustment to goodwill arising in previous years	(141)	–
Tax relief on goodwill amortisation	(226)	–
Earnings before goodwill amortisation	7,837	6,501

8. Intangible fixed assets

Goodwill	The group £'000	The company £'000
Cost:		
At 1 January 2002	11,966	–
Additions in the year	1,598	703
At 31 December 2002	**13,564**	**703**
Amortisation:		
At 1 January 2002	899	–
Charge for the year	1,503	8
At 31 December 2002	**2,402**	**8**
Net book value:		
At 31 December 2002	**11,162**	**695**
At 1 January 2002	11,067	–

The goodwill at 1 January 2002, which arose on the acquisition of the A&C Black group in 2000, is being amortised over its expected useful life of 20 years.

The Company acquired the whole of the issued share capital of Peter Collin Publishing Limited on 13 September 2002 for a cash consideration of £703,000. The acquisition has been accounted for by the acquisition method of accounting. The amount of goodwill arising as a result of this acquisition was £703,000. This has been capitalised on the group balance sheet and is being amortised over its expected useful life of 20 years.

A&C Black acquired three publishing lists during the year for cash consideration as shown below:

	Date acquired	Consideration £'000
Whitaker's Almanack	9 May 2002	766
T&D Poyser	1 July 2002	316
Thomas Reed Publications	9 September 2002	277
		1,359

8. Intangible fixed assets (continued)

The goodwill arising on A&C Black's acquisitions of the publishing assets of £895,000 was written off to the profit and loss account during the year. The businesses acquired have been fully integrated into the operations of A&C Black, which makes it difficult to identify the ongoing value of the associated goodwill. The Group has therefore taken the view that it is appropriate to eliminate the goodwill in the year of acquisition of those assets.

The following table summarises the fair values of the major categories of assets and liabilities acquired. There were no differences between the book and fair values included in the consolidated financial statements at the date of acquisition.

	Peter Collin Publishing Limited £'000	Publishing assets £'000	Total fair value to the group £'000
Net assets acquired:			
Current assets	357	464	821
Creditors and provisions	(357)	–	(357)
	-	464	464
Consideration	703	1,359	2,062
Goodwill arising on acquisitions	703	895	1,598

The goodwill in the Company arises as a result of the transfer of the assets, liabilities and trade of Peter Collin Publishing Limited to Bloomsbury Publishing Plc at market value on 14 September 2002.

9. Tangible fixed assets

The group

	Freehold land and buildings £'000	Short leasehold improvements £'000	Furniture and fittings £'000	Computers and other office equipment £'000	Motor vehicles £'000	Total £'000
Cost:						
At 1 January 2002	559	59	233	1,646	261	2,758
Additions	1	-	77	226	68	372
Disposals	–	–	–	(109)	(102)	(211)
At 31 December 2002	**560**	**59**	**310**	**1,763**	**227**	**2,919**
Depreciation:						
At 1 January 2002	238	18	91	1,095	177	1,619
Charge for the year	10	4	29	227	46	316
Disposals	–	-	–	(108)	(84)	(192)
At 31 December 2002	**248**	**22**	**120**	**1,214**	**139**	**1,743**
Net book value:						
At 31 December 2002	**312**	**37**	**190**	**549**	**88**	**1,176**
At 1 January 2002	321	41	142	551	84	1,139

The company

	Short leasehold improvements £'000	Furniture and fittings £'000	Computers and other office equipment £'000	Total £'000
Cost:				
At 1 January 2002	49	233	724	1,006
Additions	–	77	89	166
Disposals	–	–	(107)	(107)
At 31 December 2002	**49**	**310**	**706**	**1,065**
Depreciation:				
At 1 January 2002	8	91	347	446
Charge for the year	4	29	143	176
Disposals	-	-	(107)	(107)
At 31 December 2002	**12**	**120**	**383**	**515**
Net book value:				
At 31 December 2002	**37**	**190**	**323**	**550**
At 1 January 2002	41	142	377	560

10. Investments

The company

	£'000
Investments in share capital of wholly owned subsidiaries:	
At 1 January 2002	16,433
Additions	703
Dividend received from subsidiary company	(701)
At 31 December 2002	**16,435**

The Company acquired the whole of the issued share capital of Peter Collin Publishing Limited on 13 September 2002 for a cash consideration of £703,000. The assets, liabilities and trade of this subsidiary company were transferred at market value to Bloomsbury Publishing Plc on 14 September 2002, and Peter Collin Publishing Limited ceased to trade on that date. Following the transfer a dividend was paid by Peter Collin Publishing Limited to Bloomsbury Publishing Plc of £701,000 and the investment in Peter Collin Publishing Limited has been written down by the same amount.

The subsidiary companies at 31 December 2002 are as follows:

	Country of incorporation	Proportion of equity capital held	Nature of business
Subsidiary undertakings held directly:			
A&C Black Limited	England	100%	Intermediate holding company
Peter Collins Publishing Limited	England	100%	Non-trading
Bloomsbury.com Limited	England	100%	Non-trading
Subsidiary undertakings held through a subsidiary company:			
A&C Black (Publishers) Limited	England	100%	Publishing
A&C Black (Storage) Limited	England	100%	Storage facilities
A&C Black (Distribution) Limited	England	100%	Book distribution
Christopher Helm (Publishers) Limited	England	100%	Publishing
Herbert Press Limited	England	100%	Non-trading
Alphabooks Limited	England	100%	Non-trading
Nautical Publishing Company Limited	England	100%	Non-trading
F Lewis (Publishers) Limited	England	100%	Non-trading
Adlard Coles Limited	England	100%	Non-trading

11. Stocks

	The group		The company	
	2002 £'000	2001 £'000	2002 £'000	2001 £'000
Raw materials	**170**	183	**103**	102
Work in progress	**5,946**	6,791	**4,616**	5,471
Finished goods for resale	**5,195**	5,519	**2,631**	3,774
	11,311	12,493	**7,350**	9,347

12. Debtors

	The group		The company	
	2002 £'000	2001 £'000	2002 £'000	2001 £'000
Amounts falling due within one year:				
Trade debtors	**13,265**	20,203	**9,700**	18,096
Amounts owed by group undertakings	–	-	**818**	43
Corporation tax recoverable	–	91	-	–
Other debtors	**167**	246	**92**	198
Prepayments and accrued income	**7,390**	5,625	**6,075**	4,522
	20,822	26,165	**16,685**	22,859
Amounts falling due after more than one year:				
Prepayments and accrued income	**4,058**	3,859	**4,058**	3,859

13. Creditors: amounts falling due within one year

	The group		The company	
	2002 £'000	2001 £'000	2002 £'000	2001 £'000
Guaranteed loan notes 2005	**594**	1,779	**594**	1,779
Trade creditors	**6,279**	8,001	**4,932**	6,968
Amounts owed to group undertakings	–	–	**346**	317
Other creditors	**675**	1,166	**641**	1,115
Corporation tax	**1,852**	3,101	**1,840**	2,775
Other taxation and social security	**189**	342	**147**	302
Accruals and deferred income	**8,161**	11,238	**5,694**	10,278
Proposed dividend	**933**	814	**933**	814
	18,683	26,441	**15,127**	24,348

The loan notes were issued to shareholders in A&C Black who elected for loan notes to be issued instead of cash or shares in Bloomsbury Publishing Plc. The loan notes are guaranteed by the Royal Bank of Scotland Plc against cash raised at the date of acquisition of A&C Black. They are redeemable in full at 31 December 2005 but may be redeemed at the option of the loan note holders on any interest payment date between 2001 and 2005. Interest is payable at 1% below the base rate.

14. Creditors: amounts falling due after more than one year

	The group		The company	
	2002 £'000	2001 £'000	2002 £'000	2001 £'000
Other creditors	**438**	279	**438**	279

15. Provisions for liabilities and charges

Movement in the deferred tax provision during the year is as follows:

	The group £'000	The company £'000
At 1 January 2002	1,166	980
Profit and loss account – Current year	(864)	(730)
At 31 December 2002	**302**	**250**

The provision is made at a corporation tax rate of 30%.

The amount provided for deferred tax is as follows:

	The group		The company	
	2002 £'000	2001 £'000	**2002 £'000**	2001 £'000
Accelerated capital allowances	**81**	92	**25**	35
Short term timing differences	**221**	1,074	**225**	945
	302	1,166	**250**	980

There is no unprovided liability for deferred taxation as at 31 December 2002 (2001, £nil). At 31 December 2002 the Group and the Company had deferred tax assets not included in the accounts of £104,000 (2001, £143,000) and £47,000 (2001, £11,000) respectively at a corporation tax rate of 30% in respect of tax losses carried forward.

16. Equity share capital

	2002 £'000	2001 £'000
Authorised shares of 5p each: 23,000,000 Ordinary Shares (2001, 23,000,000 Ordinary Shares)	**1,150**	1,150
Allotted, called up and fully paid: 16,909,406 Ordinary Shares (2001, 16,964,143 Ordinary Shares)	**845**	848

Movements in the allotted share capital during the year are:

	Number	£'000
At 1 January 2002	16,964,143	848
Share options exercised	165,263	8
Shares bought back	(220,000)	(11)
At 31 December 2002	**16,909,406**	**845**

16. Equity share capital (continued)

During the year the following share options were exercised under the 1994 Approved Executive Share Option Scheme and the 1994 Unapproved Executive Share Option Scheme.

	No. of Shares	Exercise price
1994 Approved Executive Share Option Scheme	10,117	83p
1994 Unapproved Executive Share Option Scheme	7,081	83p
1994 Approved Executive Share Option Scheme	1,517	100.8p
1994 Approved Executive Share Option Scheme	32,740	235p
1994 Unapproved Executive Share Option Scheme	10,808	235p
1994 Unapproved Executive Share Option Scheme	100,000	265p
1994 Approved Executive Share Option Scheme	3,000	417p

As at 31 December 2002, 2,073,966 options had been granted and were still outstanding in respect of Ordinary Shares under the following Approved and Unapproved Share Option Schemes:

	No. of Shares	Subscription price	Exercisable
1994 Approved Executive Share Option Scheme	14,458	103.8p	1997 – 2004
1994 Approved Executive Share Option Scheme	12,140	100.8p	1999 – 2006
1994 Approved Executive Share Option Scheme	27,794	83p	2001 – 2008
1994 Approved Executive Share Option Scheme	110,234	235p	2002 – 2009
1994 Approved Executive Share Option Scheme	32,582	417p	2002 – 2009
1994 Approved Executive Share Option Scheme	14,993	695p	2003 – 2010
1994 Approved Executive Share Option Scheme	102,087	881p	2003 – 2010
1994 Approved Executive Share Option Scheme	102,108	702p	2004 – 2011
1994 Approved Executive Share Option Scheme	15,763	719p	2004 – 2011
1994 Approved Executive Share Option Scheme	47,726	574p	2005 – 2012
1994 Unapproved Executive Share Option Scheme	25,824	83p	2001 – 2005
1994 Unapproved Executive Share Option Scheme	31,776	235p	2002 – 2006
1994 Unapproved Executive Share Option Scheme	511,490	265p	2002 – 2006
1994 Unapproved Executive Share Option Scheme	38,418	417p	2002 – 2006
1994 Unapproved Executive Share Option Scheme	245,007	695p	2003 – 2007
1994 Unapproved Executive Share Option Scheme	364,913	881p	2003 – 2007
1994 Unapproved Executive Share Option Scheme	220,642	702p	2004 – 2008
1994 Unapproved Executive Share Option Scheme	35,237	719p	2004 – 2008
1994 Unapproved Executive Share Option Scheme	120,774	574p	2005 – 2009

17. Reserves

The group

	Share premium account £'000	Capital redemption reserve £'000	Profit & loss account £'000
At 1 January 2002	31,273	9	11,499
Retained profit for the year	–	–	5,490
Purchase of own shares	–	11	(1,230)
Issue of share capital (net of expenses)	383	–	–
At 31 December 2002	**31,656**	**20**	**15,759**

The company

	Share premium account £'000	Capital redemption reserve £'000	Profit & loss account £'000
At 1 January 2002	31,273	9	11,362
Retained profit for the year	–	–	5,663
Purchase of own shares	–	11	(1,230)
Issue of share capital (net of expenses)	383	–	–
At 31 December 2002	**31,656**	**20**	**15,795**

18. Lease obligations

Annual commitments under non-cancellable operating leases are as follows:

The group	Land and buildings		Other	
	2002	2001	**2002**	2001
	£'000	£'000	**£'000**	£'000
Operating leases expiring:				
Within one year	–	–	**39**	59
Between two to five years	**42**	42	**79**	58
After five years	**571**	571	–	–
	613	613	**118**	117

The company	Land and buildings		Other	
	2002	2001	**2002**	2001
	£'000	£'000	**£'000**	£'000
Operating leases expiring:				
Within one year	–	–	**39**	59
Between two to five years	**42**	42	**79**	58
After five years	**455**	455	–	–
	497	497	**118**	117

19. Cash flow statement

(a) Reconciliation of operating profit to net cash flow from operating activities

	2002 £'000	2001 £'000
Operating profit	8,780	7,876
Depreciation of tangible fixed assets	316	268
Goodwill amortisation	1,362	600
Profit on disposal of tangible fixed assets	(3)	(6)
Decrease / (increase) in stocks	1,683	(994)
Decrease in debtors	5,514	3,704
(Decrease) / increase in creditors	(5,641)	1,058
Net cash inflow from operating activities	12,011	12,506

(b) Reconciliation to net funds

	2002 £'000	2001 £'000
Increase in net cash in the year	2,382	9,320
Decrease in debt	1,185	210
Movements in net funds in the year	3,567	9,530
Net funds at 1 January	15,013	5,483
Net funds at 31 December	18,580	15,013

19. Cash flow statement (continued)

(c) Analysis of net funds

	1 January 2002 £'000	Cash flow £'000	**31 December 2002 £'000**
Cash at bank	16,792	2,382	**19,174**
Debt due within one year	(1,779)	1,185	**(594)**
Total	15,013	3,567	**18,580**

Debt due within one year comprises the loan notes in connection with the acquisition of A&C Black (see note 13).

20. Commitments and contingent liabilities

The Group is committed to paying significant royalty advances to authors under signed publishing contracts during subsequent financial years.

21. Financial instruments and risk summary

The Group's financial instruments comprise, for the purposes of Financial Reporting Standard 13, cash and short-term deposits, trade debtors and creditors arising from operations, and loan notes.

The Group has financed its operations from equity share issues and reinvestment of trading profits. The Group has net cash funds.

The main risk arising from the Group's financial instruments is interest rate risk. The Board reviews and agrees policies for managing risks, which are summarised below:

(i) Interest rate risk

As noted above, the Group has financed its operations through equity share issues and reinvestment of trading profits. Surplus cash funds are invested on short-term deposit. The directors continually review the Group's portfolio of short-term deposits to ensure that best rates of return are being achieved, based on the amount of deposited funds and the period for which they are invested, whilst minimising the risks involved by placing funds with reputable third party banking organisations.

(ii) Liquidity risk

The directors do not consider that the Group currently has a liquidity risk.

(iii) Currency risk

The Company believes, in its current circumstances, that hedging for exchange rate risk is not appropriate, as a significant proportion of revenues can be matched against expenditure in local currency.

Of the total monetary net assets of £24,933,000 (2001, £20,096,000), £1,257,000 is denominated in US dollars (2001, £730,000). No material monetary net assets are denominated in currencies other than sterling and US dollars.

Fair value of financial instruments
There is no material difference between the fair value and book value of financial assets and liabilities.

22. Post balance sheet events

On 5 January 2003 A&C Black acquired the publishing assets and goodwill of Andrew Brodie Publications for a cash consideration of £740,000.

DIRECTORS, SECRETARY AND ADVISERS

Directors:	J N Newton (Chairman) E N Calder C R Adams ACA K M Rooney A J R Pringle M N Fry D J Coleman S E Odedina D H Ward J A Dare (Non-executive) P J Scherer (Non-executive) M J Mayer (Non-executive)
Secretary:	C R Adams ACA
Registered Office:	38 Soho Square London W1D 3HB 020 7494 2111
Registered number:	1984336
Auditors:	Baker Tilly 2 Bloomsbury Street London WC1B 3ST
Bankers:	The Royal Bank of Scotland plc 280 Bishopsgate, London EC2M 4RB
Stockbrokers and Financial Advisers:	Investec Henderson Crossthwaite 2 Gresham Street London EC2V 7QP Dresdner Kleinwort Wasserstein Limited PO Box 560, 20 Fenchurch Street London EC3O 3DB
Merchant bankers:	Investec Henderson Crossthwaite 2 Gresham Street London EC2V 7QP Dresdner Kleinwort Wasserstein Limited PO Box 560, 20 Fenchurch Street London EC3O 3DB
Solicitors:	Dechert 2 Serjeants' Inn London EC4Y 1LT
Registrars:	Northern Registrars Limited Northern House, Woodsome Park Fenay Bridge Huddersfield. HD8 0LA

FINANCIAL CALENDAR

Annual General Meeting — 26 June 2003

Results

Announcement of half year results to 30 June 2003 — September 2003

Announcement of annual results to 31 December 2003 — March 2004

Dividend

Final dividend - 2002 — 4 July 2003

Interim dividend - 2003 — November 2003

Final dividend - 2003 — July 2004

Share Price

Bloomsbury's share price is quoted in the Financial Times, and is also available on the Financial Times Cityline telephone service (0906 843444) charged at premium call rates.

SHAREHOLDER INFORMATION

Analysis of shareholdings at 19 March 2003

Size of shareholding	Number of shareholders	Percentage of total number of shareholders	Number of Ordinary Shares	Percentage of Ordinary Shares
500,001 +	7	0.50	5,652,885	33.32
200,001 - 500,000	12	0.85	3,764,755	22.19
100,001 - 200,000	19	1.34	2,927,576	17.26
50,001 - 100,000	23	1.63	1,631,685	9.62
10,001 - 50,000	75	5.31	1,804,079	10.64
1,001 - 10,000	263	18.61	873,541	5.15
1 - 1,000	1,014	71.76	309,430	1.82
	1,413	100.00	16,963,951	100.00

Analysis by number of shareholders at 19 March 2003

Shareholder	Number of shareholders	Percentage of total number of shareholders	Number of Ordinary Shares	Percentage of Ordinary Shares
Institutional shareholders	65	4.60	14,037,872	82.75
Directors	10	0.71	905,624	5.34
Employees	18	1.27	65,277	0.38
Private shareholders	1,320	93.42	1,955,178	11.53
	1,413	100.00	16,963,951	100.00

NOTICE OF ANNUAL GENERAL MEETING
BLOOMSBURY PUBLISHING Plc

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 38 Soho Square, London, W1D 3HB on 26 June 2003 at 12.00 noon for the following purposes:-

Routine Business

1 To receive the report of the directors and the audited accounts for the year ended 31 December 2002.
2 To declare a final dividend on the Ordinary Shares of the Company.
3 To re-elect C R Adams as a director of the Company.
4 To appoint D H Ward as a director of the Company.
5 To re-elect J A Dare as a director of the Company.
6 To re-elect P J Scherer as a director of the Company.
7 To reappoint Baker Tilly as auditors and to authorise the directors to fix their remuneration.

Special Business

To consider and, if thought fit, to pass the following resolutions of which resolution 8 will be proposed as an ordinary resolution and resolutions 9 and 10 will be proposed as special resolutions.

8. THAT:-

(a) the directors be generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 ("the Act") to allot, to such persons and on such terms as they think proper, any relevant securities (as defined in section 80(2) of the Act) of the Company up to a maximum aggregate nominal amount of £301,802, provided that:

(i) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution unless previously varied, revoked or renewed by the Company in general meeting; and

(ii) the Company shall be entitled to make, before the expiry of such authority, any offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority and the directors may allot any relevant securities pursuant to such offer or agreement as if such authority had not expired; and

(b) all prior authorities to allot relevant securities given to the directors by resolution of the Company be revoked but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.

9. THAT, subject to the passing of resolution 8 above:-

(a) the directors be granted power pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) wholly for cash pursuant to the authority conferred on them by resolution 8 above as if section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:-

(i) the allotment of equity securities, in connection with a rights issue, open offer or otherwise, in favour of holders of Ordinary Shares in the Company ("Ordinary Shares") where the equity securities respectively attributable to the interests of all such holders of Ordinary Shares are proportionate (as nearly as may be) to the respective numbers of and/or rights attaching to Ordinary Shares held by them, subject to such exceptions, exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the requirements of any regulatory body or any stock exchange or otherwise in any territory;

(ii) the allotment of equity securities pursuant to the terms of the Company's existing employees' share scheme or any other employees' share scheme approved by the members of the Company in general meeting;

(iii) the allotment (otherwise than pursuant to paragraphs (i) or (ii) above) of equity securities having a nominal value not exceeding in aggregate £42,410;

and shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, 15 months from the date of passing of this resolution unless previously varied, revoked or renewed by the Company in general meeting, and provided that the Company may, before such expiry, make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to any such offer or agreement as if the power hereby conferred had not expired; and

(b) all prior powers granted under section 95 of the Act be revoked provided that such revocation shall not have retrospective effect.

10. THAT the Company be authorised, pursuant to section 166 of the Act, to make market purchases (as defined in section 163 of the Act) of any of its Ordinary Shares of 5p each ("Ordinary Shares") in such manner and on such terms as the directors may from time to time determine provided that:-

(a) the maximum number of Ordinary Shares authorised to be purchased is 848,198;

(b) the maximum price (exclusive of expenses) which may be paid for each Ordinary Share is an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such share is contracted to be purchased and the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is 5 pence;

(c) the authority hereby conferred shall, unless previously varied, revoked or renewed, expire at the conclusion of the next Annual General Meeting of the Company to be held in 2004 or 15 months from the date of passing of this resolution, whichever shall be the earlier; and

(d) the Company shall be entitled under such authority to make at any time before its expiry or termination any contract to purchase its own shares which will or might be concluded wholly or partly after the expiry or termination of such authority and may purchase its own shares pursuant to such contract.

Dated 19 March 2003

BY ORDER OF THE BOARD

Registered Office:
38 Soho Square
London
W1D 3HB

C R Adams ACA
Secretary

Notes:

1. THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.
2. If you have sold or transferred all your ordinary shares in Bloomsbury Publishing Plc, please send this document and the enclosed form of proxy to the stockbroker, or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.
3. Explanatory statements relating to the special business of the Annual General Meeting are contained in the directors' report under the heading "Share capital".
4. Only the holders of ordinary shares are entitled to attend the meeting and vote. A member entitled to attend and vote may appoint one or more proxies to attend and, on a poll, to vote on his behalf. A proxy need not be a member of the Company.
5. To be effective, a form of proxy must be completed, signed and (together with the original or a notarially certified copy of any power of attorney or other authority under which it is executed) lodged at the office of the Company's registrars not later than 48 hours before the time of the meeting. Depositing a completed form of proxy will not preclude a member from attending the meeting and voting in person.
6. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members by 12.00 noon on 24 June 2003.
7. Copies of the following documents will be available for inspection at the Company's registered office, 38 Soho Square, W1D 3HB, between 9.30 am and 4.30 pm on any weekday, Saturdays and public holidays excepted, from the date of this notice until the date of the Annual General Meeting and at the place of the Annual General Meeting for 15 minutes prior to and during the meeting:
   (a) - the register of directors' interests in shares of the Company kept in accordance with section 325 of the Companies Act 1985; and
   (b) - copies of all service agreements under which directors of the Company are employed by the Company or any subsidiaries.