

**Company Registration
267189**

Haymarket Media Group Limited
Report and Financial Statements
for the year ended 31 December 2011

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Haymarket Media Group Limited
Report and financial statements
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Haymarket Media Group Limited

Company Report and Financial Statements 2011

Directors

The Rt Hon the Lord Heseltine CH

N Bogs

K Costello

J D Duckworth

D B Fraser

B J Freeman

P Fuller

The Hon R W D Heseltine

J Macken

L A Maniscalco

R J McDowell

D Prasher

S P Tindall

Secretary

J D Duckworth

Auditor

Deloitte LLP

Chartered Accountants

London

Bankers

The Royal Bank of Scotland plc

280 Bishopsgate

London

EC2M 4RB

Registered office

174 Hammersmith Road

London W6 7JP

Solicitors

Lewis Silkin LLP

London

Haymarket Media Group Limited

Directors' report

The Directors present their annual report and financial statements for the year ended 31 December 2011

Business review and principal activities

The principal activities of the Company are the provision of editorial content and related services through multiple platforms, including magazines and websites, serving specialist audiences in both the business to consumer and business to business markets. In addition, the Company organises events and conferences.

The Company continues to significantly invest in its online activities in order to exploit the commercial opportunities as it looks to meet the demands of its specialist audiences of professionals and enthusiasts online.

Review of developments

Company turnover in 2011 decreased compared to 2010, from £118.6m to £108.5m, reflecting a downturn from the economic recession that has affected all markets.

Operating profit before expenditure on the launch and development of new activities, exceptional items, asset amortisation and impairments of investments and intangible assets decreased from £14.7m to £11.1m. Statutory operating loss was £2.13m (2010: £23.8m loss).

The results reflect asset impairments of £2.8m (2010: £27.8m) on acquired publishing rights. Under historical cost methods, the balance sheet does not reflect the value of our overall brand portfolio.

In addition to the financial performance indicators set out above, the Company's principal non-financial key performance indicator is headcount, details of which are set out in note 2.

In response to the economic downturn (in the UK and USA in particular) management have taken various actions that have resulted in further headcount reductions and other cost saving measures. These costs totalled £943,000 (2010: £1.2m) and given their materiality, they have again been treated as an exceptional restructuring cost.

Due to the continued fragile nature of the UK economy in particular, trading in 2012 has to date been below expectations, and certain areas of the company remain under pressure. However, the Directors are cautiously optimistic that a similar outcome can be posted for the current year as compared to 2011.

No dividend was paid during the year (2010: £nil).

Directors

The present membership of the board is set out on page 1. All directors served throughout the year. LD Kirk resigned as a Director on 31 August 2011. P C Welland and K Liddiard both resigned on 31 December 2011.

Directors' Indemnity

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Haymarket Media Group Limited

Directors' Report (continued)

Financial risk management

The financial risks that the Directors consider most applicable to the company are credit risk, liquidity risk, interest rate risk and, to a lesser extent, currency risk. The Company's credit risk is primarily attributable to its trade receivables (which are held in a subsidiary company). The Company actively monitors amounts owed by its customers by way of comprehensive and detailed information that is supplied regularly to management. The Company has no concentration of credit risk, with its exposure being spread over a large number of clients.

The Company's liquidity risk is mitigated by the fact that the balances owed by it are owed by fellow group companies and to third parties, which would be able to settle those balances when they fall due. All fellow Group companies are funded and supported by their parent company, Haymarket Group Limited.

A proportion of interest rate and currency risk is hedged by a parent company by way of fixed interest and foreign currency bank loans.

Employees

Details of the number of employees and related costs can be found in note 2 to the financial statements.

The Company provides employees with information on matters relevant to them as employees throughout the year as part of its corporate communications strategy.

The Company and its subsidiaries have continued the policy regarding the employment of disabled persons. Full and fair consideration is given to applicants for employment made by disabled persons, having regard to their particular aptitude and abilities. The Company continues to employ, train and support the career development and promotion of employees of the Company who have become disabled persons during the period when they were employed by the Company and other disabled employees of the Company.

Environmental matters

Haymarket was the first major publishing company to be certified to the ISO14001 environmental standard and the Company continues to be assessed by the British Standards Institute.

The Company's preference for high environmental standards also extends to external parties. It is proactive about encouraging its suppliers to take their environmental responsibilities seriously and all of the group's major production suppliers are currently ISO14001 certified. It works with those suppliers to increase the use of water-based varnishes, to reduce paper waste and to target energy reductions.

In addition most of Haymarket's polythene postal wrappers are oxybiodegradable or recyclable and all of Haymarket's titles are now printed on paper certified to FSC or PEFC standards.

Haymarket also continues to improve its environmental credentials in its own office premises. In 2010 Haymarket's London buildings reduced electricity consumption by 5%, average daily water consumption by 4.2% and waste sent to landfill by 3.9%. The group has set itself targets for similar reductions in 2011.

The Company also encourages alternative travel modes such as car-sharing, cycling and motorbikes. The Company operates the Ride To Work scheme which enables staff to purchase discounted bicycles for commuting. Improved video and telephone conferencing have also reduced the need for travel to meetings. The Company has joined Transport for London's A New Way to Work scheme in order to further develop the Company's site travel plans and promote alternative means of transport. The Teddington site was the first to achieve an exceptional award in Richmond council's GoGreenRichmond scheme and our head office in Hammersmith achieved the Mayor of London's "Green 500" Gold Award.

Haymarket Media Group Limited

Directors' Report (continued.)

Environmental matters (continued)

In 2008 the Company calculated its first direct emissions carbon footprint in conjunction with the Edinburgh Centre for Carbon Management. This project covers the direct emissions associated with its buildings, the embodied emissions of 100 of its printed titles and of 100 of its websites. The second and third stages of this project will be completed in 2011 and based on this information carbon reduction strategies will be investigated with our supply partners to reduce the carbon intensity of our products.

Going concern basis adopted in preparing financial statements

The Company is a subsidiary of Haymarket Group Limited and because the Group operates a centralised treasury function, the Company is dependent on the Group for financing. Haymarket Group Limited has confirmed that it will provide, either directly or through a subsidiary, such financial support as is necessary to the Company to enable the Company to continue to meet its liabilities as they fall due.

The Group's revenues, profits and cash flows have been affected by the economic downturn, particularly the much publicised reduction in advertising. In addition, a number of titles have suffered from competition. However the Group has a broad portfolio with offerings to a wide range of sectors in the UK and abroad, and has media properties that are benefitting from the digital world. Despite the reductions in revenues, the cost reduction actions taken by the directors have enabled the Group to report EBITDA (after adjusting for exceptional items) of £33m for the year ended 31 December 2011 and at the same level as 2010. The Group benefits from long-term financing in the form of equity and has banking facilities which expire in July 2015. These include a £10m 364-day revolving credit facility and a £5m overdraft facility on which the Group relies which are renewable annually on 30 April. The directors know of no reason why these will not be renewed for a further 364 days in April 2013.

The Directors continue to take action to realign the cost base with their view of the revenue outlook and to enable the Group to operate within the terms of its banking facilities. However, the directors acknowledge the uncertainty inherent in forecasting revenues, especially in the current economic environment. The Directors believe that, having drawn up the Group's latest forecasts, which take into account their view of reasonably possible adverse variations in performance and the mitigation actions available to the directors, the Group has sufficient cash and covenant headroom under the Group's banking facilities for the foreseeable future. However, the forecasts do not envisage a major economic downturn or an economic shock arising, for example, from a further deterioration of the eurozone crisis.

In summary, the Directors consider that, in the current challenging environment the Group has access to sufficient financial resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

Disclosure of information to the auditor

Each of the persons who was a director at the date of approving this report confirms that

- (1) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- (2) the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

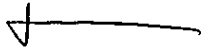
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Haymarket Media Group Limited

Re-appointment of the auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as the auditor in the absence of an Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



J D Duckworth

Secretary

July 2012

Haymarket Media Group Limited

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's report to the members of Haymarket Media Group Limited

We have audited the financial statements of Haymarket Media Group Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 the auditor

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirement of Companies Act 2006.

Opinion on other matters prescribed by Companies Act 2006

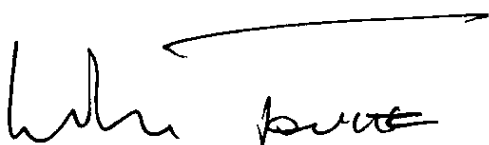
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's report to the members of Haymarket Media Group Limited
(continued)**

Matters on which we are required to report by exception.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



William Touche (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Registered Statutory Auditor

London, United Kingdom

²³ July 2012

Haymarket Media Group Limited
Profit and loss account
for the year ended 31 December 2011

	Notes	2011 £000	2010 £000
Turnover	1	108,545	118,624
Cost of sales		(81,622)	(89,220)
Gross profit		26,923	29,404
Operating expenses (net)		(15,842)	(53,232)
Operating profit before amortisation of publishing rights and exceptional items	4	11,081	14,676
Amortisation of publishing rights		(9,323)	(9,360)
Impairment of publishing rights and fixed asset investments		(2,942)	(27,942)
Exceptional restructuring costs		(943)	(1,202)
Operating loss		(2,127)	(23,828)
Profit on sale of investments and publishing rights		320	44
Investment income	5	86,801	101
Interest payable and similar charges	6	(25)	(141)
Profit(loss) on ordinary activities before taxation		84,969	(23,824)
Tax on profit(loss) on ordinary activities	7	(2,954)	(3,208)
Profit/(loss) on ordinary activities after taxation		82,015	(27,032)

All operations during the year are derived from continuing operations

There are no recognised gains or losses for the current financial year and preceding financial year other than as stated in the profit and loss account. Therefore a statement of recognised gains and losses has not been produced.

Haymarket Media Group Limited
Balance sheet
as at 31 December 2011

	Notes	2011 £000	2010 £000
Fixed assets			
Intangible assets	9	110,187	121,932
Investments	10	<u>377,291</u>	<u>296,296</u>
		487,478	418,228
Current assets			
Debtors falling due after more than one year	11	792	944
Creditors: amounts falling due within one year	12	<u>(192)</u>	<u>(45)</u>
Net current assets/(liabilities)		<u>600</u>	<u>899</u>
Total assets less net current liabilities		488,078	419,127
Creditors: amounts falling due after more than one year	13	<u>(94,523)</u>	<u>(107,587)</u>
Net assets		<u><u>393,555</u></u>	<u><u>311,540</u></u>
Capital and reserves			
Called up share capital	14	274,501	274,501
Profit and loss account	15	119,054	37,039
Total shareholders' funds	16	<u><u>393,555</u></u>	<u><u>311,540</u></u>

The financial statements of Haymarket Media Group Limited (Company registration number 267189), have been authorised and approved for issue by the Board of Directors on ²³ July 2012, and signed on behalf of the board by,



BJ Freeman
Director

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under historical cost convention in accordance with United Kingdom law and accounting standards. The particular accounting policies adopted by the Directors are consistent with the prior year and are described below. In preparing the financial statements the directors have adopted the going concern basis, as explained in the Directors' Report.

Cash flow statement

A cash flow statement has not been produced as Haymarket Media Group Limited is a wholly owned subsidiary of Haymarket Group Limited, which itself produces a publicly available consolidated cash flow statement. Consequently, the Company is exempt from producing a cash flow statement under the terms of FRS 1 (Revised).

Basis of consolidation

The consolidated financial statements of the year ended 31 December 2011 have not been produced as Haymarket Media Group Limited is a wholly owned subsidiary of Haymarket Group Limited, a company incorporated in Great Britain and registered in England and Wales which itself produces consolidated financial statements. As such the company is exempt from FRS 2 and s400 in the Companies Act 2006. These financial statements present information about the company as an individual undertaking and not as a group.

Intangible assets

Publishing rights, whether acquired as assets or as a business combination, are held at cost less any provision for impairment in value and are amortised on a straight-line basis over the economic life of the asset, estimated to be between 5 and 20 years. Acquired non-compete agreements are amortised over the effective period of that agreement.

Eligible website development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits website development costs are charged to the profit and loss account as incurred.

Investments

Fixed asset investments are shown at cost less any provision for impairment.

Related party transactions

The Company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 not to disclose related party transactions with 100% owned companies in the Haymarket group.

Turnover

Turnover represents amounts receivable for goods and services net of sales tax and trade discounts.

All revenue arising from magazine publishing is recognised on the date of publication. Revenue from conferences and other events is recognised on the date of the event. Revenue from website advertising is recognised over the period of the advertising contract. Revenue is mainly from UK based operations.

Cost of sales

Cost of sales represents amounts payable for goods and services net of sales tax and trade discounts.

Costs arising from magazine publishing, other than staff costs, are recognised on the date of publication. All costs relating to conferences and other events are recognised on the date of the event.

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

1 Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred taxation is provided in full on timing differences between the recognition of gains and losses in the financial statements and their recognition in a taxation computation

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiary and associated undertakings and joint ventures where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

Foreign currencies

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the profit and loss accounts

Where foreign currency loans finance an overseas net investment the associated exchange movement is taken to reserves to match the movement on the net investment

Pension costs

The company operates a defined contribution pension scheme. Pension costs are charged to the profit and loss account in the period in which they become payable

2 Information regarding directors and employees

	2011	2010
	£000	£000
Directors' emoluments		
Emoluments	<u>2,385</u>	<u>2,184</u>
Remuneration of highest paid Director	<u>843</u>	<u>631</u>

Directors' emoluments are disclosed on an accruals basis

There are defined contribution pension plans for the benefit of thirteen directors (2010 sixteen). The contributions in total for the year were £118,000 (2010 £423,000). The highest paid director received contributions of £30,283 (2010 £80,257)

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

2 Information regarding directors and employees (continued)

	2011	2010
	£000	£000
Staff costs during the year (including Directors)		
Wages and salaries	34,367	36,620
Social security costs	3,581	3,625
Pension costs	992	1,489
	<u>38,940</u>	<u>41,734</u>

	No.	No.
Average number of persons employed by the Company (including Directors)	<u>893</u>	<u>955</u>

Another Group company holds contracts of employment for the Group's employees

3 Exceptional Costs	2011	2010
	£000	£000
Exceptional restructuring costs	<u>943</u>	<u>1,202</u>

The Company's current taxation charge for the year has been reduced by £245,292 (2010 £336,560) as a result of these exceptional items

4 Operating profit before exceptional items	2011	2010
	£000	£000
This is stated after charging		
Amortisation of publishing rights	9,323	9,360
Provision for impairment of publishing rights	<u>2,400</u>	<u>27,807</u>

Fees payable to the Company's auditors for the year were £55,000 (2010 £45,000) for the audit of the Company's annual accounts

5 Investment income	2011	2010
	£000	£000
Dividend received from subsidiary	86,784	-
Foreign exchange gains	<u>17</u>	<u>101</u>
	<u>86,801</u>	<u>101</u>

6 Interest payable and similar charges	2011	2010
	£000	£000
Foreign exchange losses	<u>25</u>	<u>141</u>
	<u>25</u>	<u>141</u>

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

7 Tax on profit on ordinary activities

The tax is made up as follows	2011	2010
	£000	£000
<i>Current tax</i>		
UK corporation tax @ 26.5% (2010: 28%)	190	-
Amount paid for group relief	2,459	2,463
Overseas taxation	92	70
Adjustments in respect of previous periods	61	-
Total current tax	<u>2,802</u>	<u>2,533</u>
<i>Deferred tax</i>		
Deferred tax charge (see note 8)	152	675
Total deferred tax	<u>152</u>	<u>675</u>
Tax on profit on ordinary activities	<u>2,954</u>	<u>3,208</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 26.5% (2010: 28.0%). The current tax charge for the year differs from 26.5% for the reasons set out in the following reconciliation:

Reconciliation of current tax charge	2011	2010
	£000	£000
Profit on ordinary activities before tax	<u>84,969</u>	<u>(23,824)</u>
Tax at 26.5% (2010: 28%) thereon	22,517	(6,671)
Factors affecting charge		
- Expenses not deductible for tax purposes	158	130
- Capital allowances in excess of depreciation	(2)	(2)
- Non-Deductible impairment loss/disposals	755	7,841
- Other short term timing differences	(73)	(623)
- Non-deductible depreciation/amortisation on assets not qualifying for capital allowances	2,388	2,512
- Non-taxable income	(23,002)	(28)
- Adjustment in respect of prior years	61	-
- Group relief for nil consideration	-	(696)
- Overseas withholding tax on royalties	92	70
- Double tax relief	(92)	-
Current tax charge for the year	<u>2,802</u>	<u>2,533</u>

Payments totalling £2,458,531 to Management Publications Limited and Haymarket Finance Limited have been made in respect of the corporation tax saving resulting from a group relief claim (2010: £2,462,996).

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

8 Deferred tax

There is a deferred tax asset recognised of £791,771 (2010 £943,954) The asset relates to the following amounts

	2011 £000	2010 £000
Other timing differences (mainly long term incentive plan)	775	923
Accelerated capital allowances	17	21
	<u>792</u>	<u>944</u>

In the opinion of the directors, it is considered more likely than not that the deferred tax asset will be recovered in light of the expected future trading results of the company

The movement on the deferred tax asset recognised during the year was as follows

	£000
Balance at 1 January	944
Deferred tax charge to profit and loss for the year	(152)
Balance at 31 December 2011	<u>792</u>

There is also an unrecognised deferred tax asset of £465,323 (2010 £nil) in respect of unutilised capital losses carried forward This asset has not been recognised, as there is insufficient evidence that these losses will be offset against future capital profits

Deferred tax assets or liabilities have been recognised at 25% in these financial statements, being the tax rate that was enacted at the balance sheet date to have effect from 1 April 2012

The 2012 budget (delivered on 21 March 2012) announced a further reduction of 1% to the UK corporation tax rate, meaning the rate will be 24% effective from 1 April 2012 The Government has also indicated that it intends to introduce further reductions in the main tax rate, with the rate falling by 1% each year down to 22% by 1 April 2014 These further reductions to the tax rates have not been substantively enacted at the balance sheet date and are therefore not reflected in these financial statements

9 Intangible assets

	Publishing rights £000
Cost	
At 1 January 2011	193,529
Disposals	(28)
At 31 December 2011	<u>193,501</u>
Accumulated amortisation	
At 1 January 2011	71,597
Charged in the year	9,323
On disposals	(6)
Provision for impairment	2,400
At 31 December 2011	<u>83,314</u>
Net book value	
At 31 December 2011	<u>110,187</u>
At 31 December 2010	<u>121,932</u>

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

9 Intangible assets (continued)

Provisions for impairments on intangible assets totalling £2,400,000 (2010 £28,807,000) were made during the year, following a comparison of asset carrying values and the discounted cashflows expected from those assets

10 Investments held as fixed assets

	Shares in associated undertakings £000	Shares in subsidiary undertakings £000	Loans to subsidiary undertakings £000	Loans to parent undertakings £000	Total £000
Cost					
2011	502	269,698	95,660	-	365,860
Additions	-	167,713	(22,956)	20,742	165,499
Disposals		(83,858)	-		(83,858)
At 31 December 2011	502	353,553	72,704	20,742	447,501
Provision for					
At 1 January 2011	502	68,938	124	-	69,564
Movement in year		200	446	-	646
At 31 December 2011	502	69,138	570	-	70,210
Net Book Value					
At 31 December 2011	-	284,415	72,134	20,742	377,291
At 31 December 2010	0	200,760	95,536	-	296,296

Impairments on intercompany loans, held as fixed assets, and deemed irrecoverable were £445,912 (2010 £124 614)

During the year the company acquired 100% of the shares in Haymarket Medical Publications Limited and sold its shareholding to Haymarket UK2 Limited. The consideration for both transactions was

Loans to subsidiary and parent undertakings are unsecured, interest free and repayable after more than one year with no fixed repayment date

The principal subsidiary undertakings, all of which (unless otherwise noted below), are registered in England and Wales and operate principally in Great Britain, are as follows

Subsidiary undertaking	Country where incorporated and operating	Percentage of equity held	Principal activity
Haymarket Network Limited		100%	Contract publishing
Haymarket Exhibitions Limited		100%	Exhibition organising
Haymarket Publishing Services Limited		100%	Administrative services
Windpower Monthly A/S	Denmark	100%	}
Haymarket Media Inc ¹	USA	100%	}
Haymarket Media Ltd ²	Hong Kong	100%	}
Haymarket Media GmbH ³	Germany	100%	}
Haymarket Media Pty Ltd ³	Australia	100%	}
Haymarket Media India Pvt Ltd ³	India	100%	}

Haymarket Media Group Limited
Notes to the financial statements
for the year ended 31 December 2011

10 Investments held as fixed assets (continued)

Associated Undertaking

Frontline Limited	Great Britain	Ordinary 'A' shares 5%	Distribution of magazines
		Ordinary 'C' shares 100%	
		Ordinary 'E' shares 25%	
		Ordinary 'F' shares 17%	

[1] Shares held by Haymarket Medical Publications

[2] Shares held by Haymarket Media Asia Limited

[3] Shares held by Haymarket Worldwide Limited

Frontline Shares were transferred from Haymarket Publishing Services Limited in September 2011

11 Debtors

	2011 £000	2010 £000
Amounts due after more than one year		
Deferred tax (see note 8)	792	944

12 Creditors: amounts falling due within one year

	2011 £000	2010 £000
Corporation tax	190	-
Other creditors	2	45
	192	45

13 Creditors: amounts falling due after one year

	2011 £000	2010 £000
Amounts owed to parent undertakings	7,512	19,811
Amounts owed to subsidiary undertakings	87,011	87,776
	94,523	107,587

The £94,628,000 loans from Parent undertakings and Subsidiary undertakings are unsecured, interest free and are not due for repayment before 1 January 2013

14 Issued share capital

	2011 £'000	2010 £'000
Authorised, allotted, called up and fully paid		
274,500,500 Ordinary Shares of £1 each	274,501	274,501

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15 Profit and loss account

	2011 £000
At 1 January 2011	37,039
Profit for the financial year	<u>82,015</u>
At 31 December 2011	<u><u>119,054</u></u>

16 Reconciliation of movements in shareholders' funds

	2011 £000	2010 £000
At 1 January	311,540	338,572
financial year	<u>82,015</u>	<u>(27,032)</u>
At 31 December	<u><u>393,555</u></u>	<u><u>311,540</u></u>

17 Contingent liability

The company has provided a financial guarantee over other group companies. As at the balance sheet date, the borrowings under guarantee amounted to £127,839,960 (2010 £127,804,615)

18 Pension scheme

The principal scheme operated by the group is a defined contribution scheme in which eligible employees participate in personal pension plans to which the company contributes 8% - 12.5% and the employees contribute a minimum of 5% of relevant earnings. The assets of the individual plans are held separately from those of the company in independently administered funds. There were no unpaid contributions as at 31 December 2011. Details of pension costs are shown in note 2.

19 Ultimate parent company

In the opinion of the Directors, the Company's ultimate parent company and the largest group and smallest group in which the company is consolidated is Haymarket Group Limited, a company incorporated in Great Britain and registered in England and Wales, in which The Rt Hon the Lord Heseltine CH and his family have the controlling interest. Copies of the group accounts of Haymarket Group Limited are available from Companies House, Crown Way, Mandy, Cardiff CF14 3UZ. The Company's immediate parent company is Haymarket Finance Ltd.