

Company no.: 00734421

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

ANNUAL REPORT  
FOR THE YEAR ENDED

31 DECEMBER 2013

TUESDAY



\*A3HJANV7\*

A39

30/09/2014

#51

COMPANIES HOUSE

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

STRATEGIC REPORT

The directors present their Strategic Report for the year ended 31 December 2013.

Principal activities

Penguin Random House Limited (formerly The Penguin Publishing Company Limited) is the holding company for the Penguin Random House Group of companies outside of the United States of America. The principal activity of the company's subsidiaries continues to be publishing, warehousing and the distribution of books.

Results and dividends

The results and financial position of the company are set out in the attached financial statements and in the Report of the Directors.

Key Performance Indicators ("KPI's")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using Key Performance Indicators is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

By nature of its business the company is exposed to few business risks. The company's only significant risk is that the results of its subsidiaries might deteriorate with the consequent need for the company to impair its investments. There is a similar risk with the company's loans to group undertakings.

On Behalf of the Board

C Williams  
Director



30<sup>th</sup> September 2014

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their annual report and audited financial statements for the year ended 31 December 2013.

Business review

The results of the company for the year are set out in the attached financial statements.

The most significant event of the year was the merger of the Random House and Penguin Book Publishing businesses on 1 July 2013 to form Penguin Random House Limited (formerly The Penguin Publishing Company Limited). Bertelsmann UK Limited contributed the Random House business and Pearson contributed the Penguin business. Bertelsmann UK Limited and Pearson own 53% and 47% of the combined business, respectively.

As a result of the merger, the company also changed its name from The Penguin Publishing Company Limited to Penguin Random House Limited on 28 June 2013.

During the year in preparation for the merger of Random House and Penguin Book Publishing businesses, the company acquired a number of subsidiaries from other companies in the Penguin Group.

Despite the administrative expenses and as a result of dividends received the company made a profit in the year of £3.7m (2012: £4.6m)

Following the merger, the company provides funds to its subsidiaries under cash pooling agreements.

During the year, the company raised £667.6m through an issue of shares and the proceeds have been used to provide finance to the company's investments.

Dividend

A dividend was paid during the year of £25.7m (2012: £5.9m). No final dividend is proposed (2012: £nil).

Directors

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

- Suzanne Margaret Brennan (resigned on 1 July 2013)
- John Joseph Fallon (appointed on 1 July 2013)
- Markus Franz-Josef Dohle (appointed on 1 July 2013)
- Thomas Andreas Gotz (appointed on 1 January 2014)
- Judith Hartmann (appointed on 1 July 2013)
- Thomas Hermann Rabe (appointed on 1 July 2013)
- Thomas Hesse (appointed on 1 July 2013 and resigned on 31 December 2013)
- Philip Joseph Hoffman (appointed on 1 July 2013)
- John Makinson
- Gail Rebuck (appointed on 1 July 2013)
- Thomas Daryl Weldon (resigned on 1 July 2013)
- Coram Williams (appointed on 1 July 2013)
- Lauren Zalaznick (appointed on 23 May 2014)

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**  
(continued)

**Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

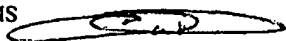
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies 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.

**Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By Order of the Board

C WILLIAMS  
Director



80 Strand  
London  
WC2R 0RL

30<sup>th</sup> September 2014

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PENGUIN RANDOM HOUSE LIMITED  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

**Report on the financial statements**

**Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit and cash flows 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 requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

**What we have audited**

The financial statements, which are prepared by Penguin Random House Limited (formerly the Penguin Publishing Company Limited), comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the cash flow statement for the year then ended;
- the reconciliation of movements in shareholders' funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

**What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**PENGUIN RANDOM HOUSE LIMITED**  
**(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)**  
(continued)

**Opinion on other matter prescribed by the Companies Act 2006**

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

**Other matters on which we are required to report by exception**

**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

**Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

**Responsibilities for the financial statements and the audit**

**Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities set out on page 3, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Fiona Dolan (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

30 September 2014

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

PROFIT AND LOSS ACCOUNT  
for the year ended 31 December 2013

	Note	2013 £	2012 £
Administrative expenses	2	(532,950)	-
Operating loss		(532,950)	-
Income from shares in group undertaking		4,800,000	4,519,343
Operating profit after investment income		4,267,050	4,519,343
Profit on sale of fixed assets	5	19,020	-
Interest receivable and similar income		2,832,389	54,390
Interest payable and similar charges	2	(3,617,986)	-
<b>Profit on ordinary activities before taxation</b>		<b>3,500,473</b>	<b>4,573,733</b>
Tax on profit on ordinary activities	3	245,992	(13,333)
<b>Profit for the financial year</b>	<b>10</b>	<b>3,746,465</b>	<b>4,560,400</b>

The results above are all derived from continuing operations. The Company has no recognised gains or losses other than as disclosed in the profit and loss account.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents.

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the year ended 31 December 2013

	Note	2013 £	2012 £
Shareholders' funds at beginning of year		85,334,775	86,624,375
Share issue		667,613,899	-
Profit for the financial year	10	3,746,465	4,560,400
Dividends paid	4	(25,711,156)	(5,850,000)
Shareholders' funds at end of year		<u>730,983,983</u>	<u>85,334,775</u>



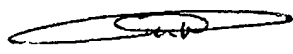
**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

**BALANCE SHEET**  
As at 31 December 2013

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Investments	5	738,921,032	90,276,334
		<u>738,921,032</u>	<u>90,276,334</u>
<b>Current assets</b>			
Debtors	6	73,665,718	2,937,000
Cash at bank and in hand		69,059,486	-
		<u>142,725,204</u>	<u>2,937,000</u>
Creditors: amounts falling due within one year	7	(150,662,253)	(7,878,559)
<b>Net current liabilities</b>		<u>(7,937,049)</u>	<u>(4,941,559)</u>
<b>Total assets less current liabilities</b>		<u>730,983,983</u>	<u>85,334,775</u>
<b>Capital and reserves</b>			
Called up share capital	8	75,000,000	25,540,000
Share premium account	9	618,153,899	-
Profit and loss account	10	37,830,084	59,794,775
<b>Total shareholders' funds</b>		<u>730,983,983</u>	<u>85,334,775</u>

These financial statements on pages 6 to 17 were approved by the board of directors on September 2014 and were signed on its behalf by

C WILLIAMS  
Director

  
30/9/14

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

CASH FLOW STATEMENT  
for the year ended 31 December 2013

	Notes	2013 £	2012 £
Operating loss		(532,950)	-
(Increase)/decrease in debtors	6	(25,577,915)	33,196
Increase in creditors	7	71,633,112	1,256,404
<b>Net cash inflow from operating activities</b>		<u>45,522,247</u>	<u>1,289,600</u>
<b>Returns on investment</b>			
Dividends received from fixed asset investments		4,800,000	4,519,343
Interest received		2,832,389	-
Interest paid		(3,617,986)	54,390
Equity dividend paid to shareholders		(20,823,156)	(5,850,000)
<b>Taxation</b>	3	245,992	(13,333)
<b>Financing</b>			
Increase in borrowings		40,100,000	-
<b>Cash increase in the year</b>		<u>69,059,486</u>	<u>-</u>
<b>Net debt in the year</b>			
Cash at bank and in hand		-	-
Loans		-	-
<b>Net funds as at 31 December 2012</b>		<u>-</u>	<u>-</u>
Increase in cash		69,059,486	
Increase in loans to group undertakings		40,100,000	
<b>Net funds as at 31 December 2013</b>		<u>28,959,486</u>	

Please see Note 12 for details on the major non-cash transactions that have occurred throughout the year.

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently, are set out below.

The company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about the group.

Going concern

The financial statements are prepared on a going concern basis. The Company has a facility of US\$250m which is available to PRH worldwide from the shareholders in line with the respective shareholding. As a result, the directors are of the opinion that this facility will meet the cash requirements of the company.

Investments

Investments are stated at cost. Provision is made for impairment. Investments are tested for impairment annually or on a triggering event and reflect changes in circumstances that indicate the carrying value may not be recoverable.

Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The company designates each hedge as either: (a) fair value hedge; (b) cash flow hedge; or (c) net investment hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The company documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

*Currency Forwards*

The company has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the date of the balance sheet. Any differences are taken to the profit and loss account.

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

1 ACCOUNTING POLICIES (continued)

*Fair value estimation of financial assets and liabilities*

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

Currency translation

*Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented sterling, which is the functional currency of the company.

*Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

	2013 £	2012 £
2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		
The profit on ordinary activities before tax is stated after charging:		
Auditors' remuneration:		
Audit of Consolidated Group accounts	110,300	-
Audit of these financial statements	50,056	7,000
	<hr/>	<hr/>
Interest payable and similar charges:		
Interest on cash pooling with subsidiaries	66,696	-
Interest on loans from shareholders	337,839	-
Interest on equalisation payment due to shareholders	267,200	-
Commitment fees payable to shareholders	196,363	-
	<hr/>	<hr/>
	<b>868,098</b>	<b>-</b>
	<hr/>	<hr/>

The company had no employees during either 2012 or 2013.

*Directors' remuneration*

The emoluments of the Directors are paid by the other group companies. Directors' services to this company are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the company that employs them. Accordingly, the schedule above includes no emoluments in respect of the Directors.

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

	2013 £	2012 £
<b>3 TAX ON PROFIT ON ORDINARY ACTIVITIES</b>		
(a) Analysis of tax (credit)/charge for the year		
UK Corporation tax on profits for the year	(245,992)	13,333
	<u>(245,992)</u>	<u>13,333</u>
(b) Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	3,500,473	4,573,733
Corporation tax at standard rate of 23.25% (2012- 24.5%)	813,860	1,120,565
Effects of:		
Expenses not deductible for tax purposes	60,570	-
Income not taxable	(1,120,422)	(1,107,232)
Current tax (credit)/charge for year	<u>(245,992)</u>	<u>13,333</u>

*Current tax*

The standard rate of Corporation Tax in the United Kingdom changed from 24% to 23% with effect from 1 April 2013. Accordingly the company's profits/(losses) are taxed at an effective rate of 23.25%.

*Deferred tax*

During the year changes to the UK main corporation tax rate were enacted. The tax rate has fallen to 21% with effect from 1 April 2014 and to 20% with effect from 1 April 2015.

<b>4 DIVIDENDS</b>	2013 £	2012 £
Equity - Dividend		
Dividend paid	25,711,156	5,850,000
	<u>25,713,169</u>	<u>5,852,012</u>

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

5	INVESTMENTS	Shares in group undertakings £
	Cost:	
	At 1 January 2013	90,276,334
	Additions	648,716,987
	Disposals	(72,289)
	At 31 December 2013	<u>738,921,032</u>
	Provision for impairment:	
	At 1 January 2013 and at 31 December 2013	<u>-</u>
	Net book value:	
	At 31 December 2013	<u>738,921,032</u>
	At 31 December 2012	<u>90,276,334</u>

The company's investments in group undertakings are listed on page 17.

The directors consider the value of the investments to be not less than that stated in the balance sheet of the company.

The additions of £648.7m relate to the acquisition of the following investments:

The Random House Group Limited, Random House Holdings Limited, Dorling Kindersley Limited, Author Solutions Philippines Inc, Dorling Kindersley Publishing Private Limited, Penguin Books Canada Inc, Penguin Books (SA) Pty Limited, Penguin Australia Pty Limited, Penguin Publishing Singapore Pte Limited, Penguin Books Malaysia Sdn Bhd, Penguin New Zealand Pty Limited, Penguin Group (Hong Kong) Limited, Get Published! Limited, Author Solutions Limited, Penguin Random House Holdings Brazil Limited, Hugo Language Books Limited.

The company also sold its shares in Penguin Books SA on 16<sup>th</sup> December 2013 for £91,309.

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

	2013 £	2012 £
<b>6 DEBTORS</b>		
Amounts owed by group undertakings	66,681,122	2,937,000
Other debtors	1,446,939	-
Group relief receivable	5,537,657	-
	<hr/> 73,665,718	<hr/> 2,937,000
<b>7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Amounts owed to group undertakings	143,045,049	7,865,234
Corporation tax payable	66,242	13,325
Group relief payable	5,238,748	-
Other creditors	1,442,384	-
Accruals and deferred income	869,830	-
	<hr/> 150,662,253	<hr/> 7,878,559
Included within amounts owed to group undertakings is £40m under the facility agreement with shareholders disclosed in Note 1.		
<b>8 CALLED UP SHARE CAPITAL</b>		
Authorised, allotted, called up and fully paid:		
Balance at the beginning of the year (£)	25,540,000	25,540,000
Issued during the year:		
Ordinary shares of £1 each	49,460,000	-
Balance at the end of the year (£)	<hr/> 75,000,000	<hr/> 25,540,000
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<hr/> 75,000,000	<hr/> 25,540,000

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

9	SHARE PREMIUM ACCOUNT	£
	Balance at 1 January 2013	-
	Increase in the year	618,153,899
	Balance at 31 December 2013	<u>618,153,899</u>
10	PROFIT AND LOSS ACCOUNT	£
	Balance at 1 January 2013	59,794,775
	Profit for the financial year	3,746,465
	Dividend paid	(25,711,156)
	Balance at 31 December 2013	<u>37,830,084</u>

11 RELATED PARTIES

The Company's immediate parent Company is Bertelsmann UK Limited, which owns 53% and Pearson Plc 47% of the company's share capital. The Company's ultimate parent Company is Bertelsmann SE & Co KGaA, which is incorporated in Germany, copies of whose consolidated financial statements (the smallest and largest financial statements in which the Company is consolidated) can be obtained from.

Bertelsmann SE & Co KGaA  
Corporate Communications  
Carl Bertelsmann Strasse 270  
Postfach 111  
D-33311 Gütersloh  
Germany



**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

## 11 RELATED PARTIES (continued)

## Administrative expenses:

RTL Group Support Services Limited	83,500	-
Bertelsmann SE & Co KGaA	70,865	-
Penguin Random House Groupo Editorial, S.A	19,020	-

## Interest income:

Penguin Books Canada Inc.	10,006	-
Penguin Australia Pty Limited	761,159	-
Penguin Books Malaysia Sdn Bhd	7,746	-
Penguin Publishing Singapore Pte Limited	63,875	-
Penguin New Zealand Pty Limited	18,543	-
Penguin Random House LLC	27,215	-
The Random House Group Limited	375,152	-

## Interest expense:

Random House of Canada Limited	38,793	-
Random House New Zealand	504	-
Penguin Random House Groupo Editorial, S.A	4,541	-
Bertelsmann UK Limited	267,200	-
Bertelsmann SE & Co KGaA	283,127	-
Pearson Plc	251,074	-

## Dividend paid:

Pearson Plc	14,674,883	5,850,000
Bertelsmann UK Limited	11,036,273	-

## Debtors:

The Random House Group Limited	10,006,202	-
Penguin Australia Limited	49,407,744	-
Penguin New Zealand	764,343	-
Penguin Random House Pte Limited	6,475,618	-
Penguin Random House LLC	27,215	-
Dorling Kindersley Limited	-	2,937,000

## Creditors:

Random House New Zealand	895,779	-
Penguin Books Canada Inc.	10,835,393	-
Random House of Canada Limited	2,916,809	-
The Random House Group Limited	30,005	-
Random House Mondadori	15,011,138	-
Penguin Books Malaysia Sdn Bhd	195,160	-
Bertelsmann UK Limited	23,320,749	-
Pearson Plc	18,800,000	-
Bertelsmann SE & Co KGaA	21,453,835	-
Random House Holdings Limited	100,000	-
RTL Group Support Services Limited	54,000	-

**PENGUIN RANDOM HOUSE LIMITED**  
(FORMERLY THE PENGUIN PUBLISHING COMPANY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2013  
(continued)

12. MAJOR NON-CASH TRANSACTIONS

During the year the company issued share capital and share premium totalling £667,613,898 in exchange for investments in fixed assets of £648,716,987 and net amounts owed by group undertakings of £18,896,911. The acquisition of fixed asset investments are detailed in Note 5, the share capital issued is included in Note 8 and the share premium in Note 9.

13. POST BALANCE SHEET DATE EVENTS

During the 2014 financial year, Get Published! Limited was dissolved.

14. INVESTMENTS IN GROUP UNDERTAKINGS

The company's investments in group undertakings, all of which are incorporated in United Kingdom, at 31 December 2013 comprised:

	<u>Principal activity</u>	<u>Held</u>
The Random House Group Limited	Book Publishing	100%
Random House Holdings Limited	Holding Company	100%
Penguin Books Limited	Book Publishing	100%
Dorling Kindersley Limited	Book Publishing	100%
Penguin Books Benelux BV	Book Publishing	95%
Author Solutions Philippines Inc	Book Publishing	100%
Dorling Kindersley Publishing Private Limited	Book Publishing	100%
Penguin Books India Private Limited	Book Publishing	55%
Penguin Books Canada Inc	Book Publishing	100%
Penguin Books (SA) Pty Limited	Book Publishing	100%
Penguin Australia Pty Limited	Book Publishing	100%
Penguin Publishing Singapore Pte Limited	Book Publishing	100%
Penguin Books Malaysia Sdn Bhd	Book Publishing	100%
Penguin New Zealand Pty Limited	Book Publishing	100%
Penguin Group (Hong Kong) Limited	Book Publishing	100%
Get Published! Limited	Book Publishing	100%
Author Solutions Limited	Book Publishing	100%
Penguin Random House Holdings Brazil Limited	Holding Company	100%
Hugo Language Books Limited	Book Publishing	100%