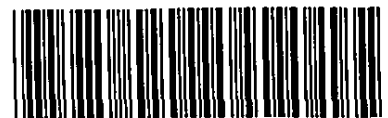


**Company Registration  
834207**

**Haymarket Network Limited**  
**Annual Report and Financial Statements**  
**for the year ended 31 December 2009**

**TUESDAY**



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**COMPANIES HOUSE**

**Haymarket Network Limited**  
**Report and financial statements 2009**  
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## **Haymarket Network Limited**

### **Company Report and Financial Statements 2009**

#### **Officers and Professional Advisers**

##### **Directors**

K Costello

J D Duckworth

B J Freeman

The Rt Hon the Lord Heseltine CH

The Hon R Heseltine

S Kanter

D Mills

W G Pecover

A C Taplin

##### **Secretary**

P S Goodman

##### **Auditors**

Deloitte LLP

Chartered Accountants

London

United Kingdom

##### **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 Network Limited**

### **Directors' report**

The Directors present their annual report and financial statements for the year ended 31 December 2009

#### **Business review and principal activities**

The principal activity of the Company has continued to be the publishing of magazines and other printed material for clients, together with the provision of editorial content for use online. These activities are carried out predominantly in the UK. The Directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

#### **Review of developments**

The Company's results for the year and state of affairs as at 31 December 2009 are shown in the attached financial statements. The profit for the year, after taxation, is £534,000 (2008 £294,000 Loss), following a decrease in cost of sales of £2,454,000 compared to the previous year.

No dividend was paid during the year (2008 £nil)

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.

#### **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.

#### **Directors and their interests**

The present membership of the board is set out on page 1. All Directors served throughout the year. S Daukes, M Durham, A Kemp and M Nichols all resigned on 31 December 2009.

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.

#### **Going concern basis adopted in preparing financial statements**

The Company is a subsidiary of Haymarket Group Limited and is part to the group's banking arrangements, and because the Group operates a centralised treasury function is dependent on the Group for financing. Haymarket Group Limited has confirmed such financial support where necessary.

The Group has recently completed negotiations to renew its financing facilities with its principal lender, the Royal Bank of Scotland. These facilities include an overdraft to meet day-to-day requirements that is renewable annually on 31 March. The directors know of no reason why the overdraft facility should not be renewed. The directors acknowledge the uncertainty inherent in forecasting advertising and other revenue streams in the current economic environment. However, they believe that, having drawn up the group's latest forecasts, which take into account their view of reasonably possible adverse variations in trading performance, the restructuring undertaken and the renewal of its facilities will provide the group with have sufficient cash and covenant headroom under its facilities for the foreseeable future.

Accordingly, after reviewing the groups current financial projections the directors consider that the company 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.

## **Haymarket Network Limited**

### **Directors' report (continued)**

#### **Financial risk management**

The financial risk that the Directors consider most applicable to the Company is liquidity risk

The Company's liquidity risk is mitigated by the fact that the balances owed by it are owed to fellow group companies which have issued a letter of financial support for the 12 months following the date these accounts have been approved

#### **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**

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the company's activities. Initiatives designed to minimise the company's net impact on the environment include compliance with ISO 14001.

#### **Disclosure of information to the auditors**

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 auditors are unaware, and

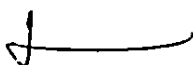
(2) the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

#### **Re-appointment of auditors**

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 auditors in the absence of an Annual General Meeting.

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



J D Duckworth

**Director**

30 July 2010

## **Haymarket Network 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 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 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 Auditors' report to the members of Haymarket Network Limited**

We have audited the financial statements of Haymarket Network Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. 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).

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 auditors' 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**

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 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 (APB'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.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 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 the Companies Act 2006.

**Independent Auditors' report to the members of Haymarket Network Limited  
(continued)**

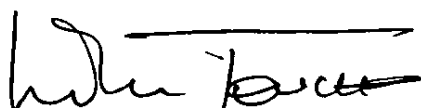
**Opinion on other matters prescribed by Companies Act 2006**

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

**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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report



William Touche ( Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Chartered Accountants and Registered Statutory Auditors  
London, United Kingdom  
30 July 2010



**Haymarket Network Limited**  
**Profit and loss account**  
**for the year ended 31 December 2009**

|   | Notes | 2009<br>£000 | 2008<br>£000 |
|---|-------|--------------|--------------|
| <b>Turnover</b>   | 1     | 14,610       | 16,656       |
| Cost of sales   |       | (11,110)     | (14,899)     |
| <b>Gross profit</b>   |       | 3,500        | 1,757        |
| Administrative expenses                                     |       | (2,760)      | (2,051)      |
| <b>Profit/(loss) on ordinary activities before taxation</b> | 3     | 740          | (294)        |
| Tax on profit/(loss) on ordinary activities                 |       | (123)        | -            |
| <b>Profit/(loss) on ordinary activities after taxation</b>  | 8     | 617          | (294)        |

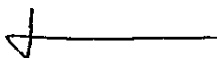
All operations during the year are continuing operations

There are no recognised gains or losses in either year other than the loss for that year. Therefore a statement of total recognised gains and losses has not been produced.

**Haymarket Network Limited**  
**Balance sheet**  
**as at 31 December 2009**

|  | Notes | 2009<br>£000 | 2008<br>£000 |
|--|-------|--------------|--------------|
| <b>Fixed assets</b>  |       |              |              |
| Investments  | 4     | 6,890        | 6,151        |
| <b>Creditors: amounts falling due within one year</b>          | 5     | (123)        | -            |
| <b>Total assets less current liabilities</b>                   |       | <u>6,767</u> | <u>6,151</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 6     | (6,306)      | (6,307)      |
| <b>Net assets/(liabilities)</b>                                |       | <u>461</u>   | <u>(156)</u> |
| <b>Capital and reserves</b>                                    |       |              |              |
| Called up share capital  | 7     | -            | -            |
| Profit and loss account  |       | 461          | (156)        |
| <b>Total shareholders' funds/(deficit)</b>                     | 8     | <u>461</u>   | <u>(156)</u> |

The financial statements of Haymarket Network Limited (Company registration number 834207), have been authorised and approved for issue by the Board of Directors on 30 July 2010, and signed on behalf of the board by,



J D Duckworth  
Director

**Haymarket Network Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**1 Accounting policies**

***Basis of preparation***

The financial statements have been prepared under the 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. The financial statements have been prepared on a basis other than going concern, as explained in the directors report.

***Cash flow statement***

A cash flow statement has not been produced as Haymarket Network 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).

***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.

***Investments***

Investments are stated at cost less any provision for impairment.

***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.

***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 website advertising is recognised over the period of the advertising contract.

***Cost of sales***

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.

***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 greater than 90% owned companies in the Haymarket group.

**Haymarket Network Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

| <b>2 Information regarding directors and employees</b> | <b>2009<br/>£000</b> | <b>2008<br/>£000</b> |
|--|----------------------|----------------------|
| <b>Directors' emoluments</b>                           |                      |                      |
| Emoluments   | 242                  | 702                  |
| Pension contributions                                  | 15                   | 51                   |
|  | <u>257</u>           | <u>753</u>           |
| <br>Remuneration of highest paid director              | <br>124              | <br>246              |
| Pension contributions of highest paid director         | 7                    | 21                   |
|  | <u>131</u>           | <u>267</u>           |

There are defined contribution pension plans for the benefit of four directors (2008 four)

| <b>Staff costs during the year (including Directors)</b>                | <b>2009<br/>£000</b> | <b>2008<br/>£000</b> |
|---|----------------------|----------------------|
| Wages and salaries  | 4,633                | 4,864                |
| Social security costs   | 492                  | 571                  |
| Pension costs   | 191                  | 236                  |
|   | <u>5,316</u>         | <u>5,671</u>         |
|   | <b>No.</b>           | <b>No.</b>           |
| Average number of persons employed by the Company (including Directors) | <u>105</u>           | <u>119</u>           |

All staff work in publishing Staff are employed under contracts of employment with a fellow subsidiary

The Auditors' remuneration of £6,000 was borne by Haymarket Group Limited for this and the preceding year (2008 £6,000)

**Haymarket Network Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**3 Tax on profit on ordinary activities**

|                                       |             |             |
|---------------------------------------|-------------|-------------|
| The tax is made up as follows         | <b>2009</b> | <b>2008</b> |
|                                       | <b>£000</b> | <b>£000</b> |
| <i>Current tax</i>                    |             |             |
| UK corporation tax @ 28% (2008 28.5%) | 123         | -           |
| Tax on profit on ordinary activities  | <u>123</u>  | <u>-</u>    |

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 28.0% (2008 - 28.5%). The current tax charge for year is less than 28.0% for the reasons set out in the following reconciliation

|  |             |              |
|--|-------------|--------------|
| <b>Reconciliation of current tax charge</b>                | <b>2009</b> | <b>2008</b>  |
|  | <b>£000</b> | <b>£000</b>  |
| Profit/(loss) on ordinary activities before tax            | <u>740</u>  | <u>(294)</u> |
| Tax at 28% (2008 28.5%) thereon                            | 207         | (84)         |
| Factors affecting charge for the current year              |             |              |
| - Group Relief surrendered/(claimed) for Nil consideration | (91)        | 71           |
| - Expenses not deductible for tax purposes                 | 7           | 13           |
| Current tax charge for the year                            | <u>123</u>  | <u>-</u>     |

**4 Investments**

|                                 |  |
|---------------------------------|--|
|                                 | <b>Loans to fellow subsidiary undertakings</b> |
|                                 | <b>£000</b>                                    |
| <b>Cost</b>                     |  |
| At 1 January 2009               | 6,151  |
| Movement in year                | 739  |
| At 31 December 2009             | <u>6,890</u>                                   |
| <b>Provision for impairment</b> |  |
| At 1 January 2009               | -  |
| Movement in year                | -  |
| At 31 December 2009             | <u>-</u>                                       |
| <b>Net Book Value</b>           |  |
| At 31 December 2009             | <u>6,890</u>                                   |
| At 31 December 2008             | <u>6,151</u>                                   |

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

**Haymarket Network Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**5 Creditors: amounts falling due within one year**

|                 | <b>2009</b> | <b>2008</b> |
|-----------------|-------------|-------------|
|                 | <b>£000</b> | <b>£000</b> |
| Corporation tax | <u>123</u>  | <u>-</u>    |

**6 Creditors: amounts falling due after one year**

|                                    | <b>2009</b>  | <b>2008</b>  |
|------------------------------------|--------------|--------------|
|                                    | <b>£000</b>  | <b>£000</b>  |
| Amounts owed to Group undertakings | <u>6,306</u> | <u>6,307</u> |

The amount owed to Group undertakings is unsecured, interest free and is repayable after more than one year with no fixed repayment date

**7 Authorised and issued share capital**

**2009 & 2008**  
**£**

**Authorised:**

100 Ordinary shares of £1 each

100

**Allotted, called up and fully paid:**

100 Ordinary shares of £1 each

100

**8 Reconciliation of movements in shareholders' funds/(deficit)**

|                                      | <b>2009</b> | <b>2008</b>  |
|--------------------------------------|-------------|--------------|
|                                      | <b>£000</b> | <b>£000</b>  |
| At 1 January                         | (156)       | 138          |
| Profit/(loss) for the financial year | <u>617</u>  | <u>(294)</u> |
| At 31 December                       | <u>461</u>  | <u>(156)</u> |

**9 Contingent liability**

The Company has guaranteed the bank borrowings of certain other group companies At 31 December 2009 these borrowings amounted to £118,237, 888 (2008 £127,121,000)

**Haymarket Network Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**10 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.

**11 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 immediate controlling party is Haymarket Media Group Limited, a company incorporated in Great Britain and registered in England and Wales.