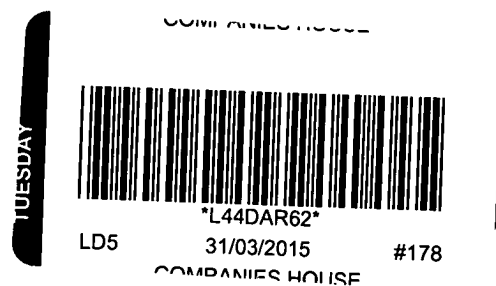


Registration number: 00834207

Haymarket Network Limited

Annual Report and Financial Statements

for the Year Ended 30 June 2014



Haymarket Network Limited
Annual Report and financial statements
Contents

	Page
Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 to 8
Profit and Loss Account	9
Balance Sheet	10
Notes to the Financial Statements	11 to 16

Haymarket Network Limited
Annual Report and financial statements
Company Information

Directors	K Costello (Resigned on 1/12/2014) J D Duckworth B J Freeman The Rt Hon the Lord Heseltine CH (Resigned on 1/12/2014) The Hon R Heseltine (Resigned on 1/12/2014) S Kanter (Resigned on 1/12/2014) A C Taplin (Resigned on 1/12/2014)
Company secretary	P S Goodman
Auditor	Deloitte LLP Chartered Accountants London
Bankers	The Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB
Registered office	Teddington Studios Broom Road Teddington Middlesex TW11 9BE
Solicitors	Lewis Silkin LLP London

Haymarket Network Limited
Annual Report and financial statements
Strategic Report for the Year Ended 30 June 2014

The directors present their strategic report for the year ended 30 June 2014. The directors, in preparing this strategic report, have complied with s414c of the Companies Act 2006.

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 Company's trade and assets have been transferred to its parent company Haymarket Media Group Limited since the year end.

Fair review of the business

The Company's results for the year and state of affairs as at 30 June 2014 are shown in the attached financial statements. Turnover was down from £25.9m to £12m, the loss, after taxation, for the year is £55,000 (period to 30 June 2013: £712,000 profit).

The prior period's result included turnover and profits arising from work performed for the London 2012 Olympics and Paralympics.

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.

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.

Principal risks and uncertainties

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.

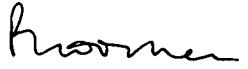
The Haymarket Group mitigates liquidity risk by assessing working capital requirements against its undrawn facilities to ensure that it has availability of funds for day-to-day operations. The Group uses a combination of long-term and short-term debt finance to ensure that sufficient funds are available for ongoing operations and future developments. As discussed below in this directors' report and in note 1, the Group has renegotiated its banking facilities during the period.

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

The directors acknowledge that there is inherent execution risk associated with the group's property sale and the move into rented accommodation. However, the directors have confidence that they could secure an alternative buyer considering the competition that led to the current contract.

Haymarket Network Limited
Annual Report and financial statements
Strategic Report for the Year Ended 30 June 2014 (continued)

Approved by the Board on 31 March 2015 and signed on its behalf by:



.....
P S Goodman
Company secretary

Haymarket Network Limited
Annual Report and financial statements
Directors' Report for the Year Ended 30 June 2014

The directors present their annual report and financial statements for the year ended 30 June 2014.

The information that fulfils the Companies Act requirements of the business review is now included in the Strategic Report. This includes a review of the development of the company and financial risks during the year, of its position at the end of the year and of the likely future developments in its business.

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 directors and secretary who held office during the year were as follows:

Directors:

K Costello (Resigned on 1/12/2014)

J D Duckworth

B J Freeman

The Rt Hon the Lord M R D Heseltine CH (Resigned on 1/12/2014)

The Hon R W D Heseltine (Resigned on 1/12/2014)

S Kanter (Resigned on 1/12/2014)

A C Taplin (Resigned on 1/12/2014)

Secretary:

P S Goodman

A basis other than that of a going concern has been adopted in preparing the financial statements

On 1st July 2014 the trade and assets were transferred into the Company's immediate parent company Haymarket Media Group Limited. As such the Directors have prepared the financial statements on a basis that the company is no longer a going concern.

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.

Reappointment of 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.

Haymarket Network Limited
Annual Report and financial statements
Directors' Report for the Year Ended 30 June 2014 (continued)

Approved by the Board on 31 March 2015 and signed on its behalf by:



.....
P S Goodman
Company secretary

Haymarket Network Limited
Annual Report and financial statements
Directors' Responsibilities Statement

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 period. 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

Haymarket Network Limited
Annual Report and financial statements
Independent Auditor's Report to the members of Haymarket Network Limited

We have audited the financial statements of Haymarket Network Limited for the year ended 30 June 2014, which comprise the Profit and Loss account, the Balance Sheet and 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 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 auditor

As explained more fully in the Statement of Directors' Responsibilities, 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 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.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its loss 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.

Emphasis of matter - financial statements prepared on a basis other than that of a going concern

In forming our opinion of the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Haymarket Network Limited
Annual Report and financial statements
Independent Auditor's Report to the members of Haymarket Network Limited
(continued)

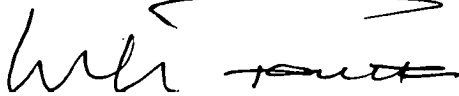
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.



.....
William Touche (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,
Chartered Accountant and Registered Statutory Auditor
London

31 March 2015

Haymarket Network Limited
Annual Report and financial statements
Profit and Loss Account for the Year Ended 30 June 2014

		Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
Turnover		12,039	25,943
Cost of sales		<u>(10,074)</u>	<u>(22,112)</u>
Gross profit		1,965	3,831
Administrative expenses		(2,112)	(2,645)
Exceptional costs on reorganisation and restructuring	3	<u>-</u>	<u>(231)</u>
(Loss)/profit on ordinary activities before taxation		(147)	955
Tax on (loss)/profit on ordinary activities	4	<u>92</u>	<u>(243)</u>
(Loss)/profit on ordinary activities after taxation		<u><u>(55)</u></u>	<u><u>712</u></u>

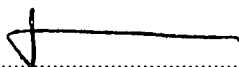
On 1 July 2014 the trade and assets were transferred to Haymarket Media Group Limited and all activities therefore relate to discontinued operations

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

Haymarket Network Limited
Annual Report and financial statements
Balance Sheet as at 30 June 2014

	Notes	30 June 2014 £ 000	30 June 2013 £ 000
Fixed assets			
Investments	5	1,911	2,139
Creditors: Amounts falling due within one year	6	-	(172)
Net assets		<u>1,911</u>	<u>1,966</u>
Capital and reserves			
Called up share capital	7		
Profit and loss account	8	<u>1,911</u>	<u>1,966</u>
Shareholders' funds	8	<u>1,911</u>	<u>1,966</u>

The financial statements of Haymarket Network Limited (Company registration number 00834207), have been authorised and approved for issue by the Board on 31 March 2015 and signed on its behalf by:



 J D Duckworth
 Director

Haymarket Network Limited
Annual Report and financial statements
Notes to the Financial Statements

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 that of a going concern, as explained in the Directors Report.

Going concern

As explained in the Directors' Report The Company transferred its trade and assets to Haymarket Media Group Limited with effect from 1 July 2014. As required by Financial Reporting Standard 18, "Accounting Policies", the Directors have prepared the financial statements on a basis that the Company is no longer a going concern. No material adjustment arose as a result of ceasing to apply the going concern basis.

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.

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).

Haymarket Network Limited
Annual Report and financial statements
Notes to the Financial Statements

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.

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.

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.

2 Information regarding directors and employees

	Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
Directors' emoluments		
Emoluments	<u>334</u>	<u>622</u>
	Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
Remuneration of highest paid director	170	415
Pension contributions of highest paid director	<u>23</u>	<u>64</u>

There are defined contribution pension plans for the benefit of six directors (Period ended 30 June 2013: six).

Haymarket Network Limited
Annual Report and financial statements
Notes to the Financial Statements

2 Information regarding directors and employees (continued)

	Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
Staff costs during the year/period (including directors)		
Wages and salaries	3,888	6,175
Social security costs	401	684
Pension costs	169	272
	<u>4,458</u>	<u>7,131</u>
	Year ended 30 June 2014 No.	1 January 2012 to 30 June 2013 No.
Average number of persons employed by the Company (including Directors)	76	84

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

Fees payable to the Company's auditor were £10,000 for this year (period ended 30 June 2013: £4,000) for the audit of the Company's annual accounts.

3 Exceptional items

	Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
Exceptional costs on reorganisation and restructuring	<u>-</u>	<u>231</u>

The Company's current taxation charge for the year to 30 June 2014 was reduced by £nil (period ended 30 June 2013: £55,904) as a result of these exceptional items.

Haymarket Network Limited
Annual Report and financial statements
Notes to the Financial Statements

4 Taxation

The tax is made up as follows:

	Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
Current tax		
UK Corporation tax @ 22.5% (period ended 30 June 2013: 24.2%)	-	172
Adjustment in respect of previous years	(63)	-
Amount paid for group relief	(29)	71
Total tax on (loss)/profit on ordinary activities	<u>(92)</u>	<u>243</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 22.5% (period ended 30 June 2013 - 24.2%). The current tax credit for year differs from 22.5% for the reasons set out in the following reconciliation:

Reconciliation of current tax charge

	Year ended 30 June 2014 £ 000	1 January 2012 to 30 June 2013 £ 000
(Loss)/profit on ordinary activities before tax	<u>(147)</u>	<u>955</u>
Tax at 22.5% (period ended 30 June 2013: 24.2%) thereon:	(33)	231
Expenses not deductible for tax purposes	4	12
Adjustment for prior periods	(63)	-
Total current tax	<u>(92)</u>	<u>243</u>

Haymarket Network Limited
Annual Report and financial statements
Notes to the Financial Statements

5 Investments

	Loans to fellow subsidiary undertakings £ 000
Cost	
At 1 July 2013	2,139
Movement in period	<u>(228)</u>
At 30 June 2014	<u>1,911</u>
Net book value	
At 30 June 2014	<u>1,911</u>
At 30 June 2013	<u>2,139</u>

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

6 Creditors: Amounts falling due within one year

	30 June 2014 £ 000	30 June 2013 £ 000
Corporation tax	<u>-</u>	<u>172</u>

7 Authorised and issued share capital

	30 June 2014 and 30 June 2013 £
Authorised, allotted, called up and fully paid:	
100 Ordinary shares of £1 each	<u>100</u>

8 Reconciliation of movement in shareholders' funds

	30 June 2014 £ 000	30 June 2013 £ 000
At start of period	1,966	1,254
(Loss)/profit for the financial period	<u>(55)</u>	<u>712</u>
At end of period	<u>1,911</u>	<u>1,966</u>

Haymarket Network Limited
Annual Report and financial statements
Notes to the Financial Statements

9 Contingent liabilities

The Company is party to a group guarantee in respect of the bank borrowings of the group under the group's available borrowing facilities totalling £104,000,000. As at the balance sheet date, the amounts guaranteed including accrued interest, and including interest rate swaps totalled £96,882,609 (period ended 30 June 2013: £141,028,680).

10 Pension schemes

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 Control

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 the United Kingdom 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, Maindy, Cardiff CF14 3UZ. The immediate controlling party is Haymarket Media Group Limited, a company incorporated in the United Kingdom and registered in England and Wales.