

Company Registration No. 2280993

Taylor & Francis Group Limited

Report and Financial Statements

31 December 2011



Taylor & Francis Group Limited

Report and financial statements

Contents	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Independent auditor's report	5
Profit and loss account	6
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9

Taylor & Francis Group Limited

Report and financial statements 2011

Officers and professional advisers

Directors

R G Horton
P S Rigby
J W Burton (resigned 31 August 2011)
A C Walker
G R Wright
R Jacobs (resigned 16 September 2011)
M Kerswell (resigned 31 March 2011)
R J J Hopley (appointed 1 November 2011)

Secretary

J L Woollard
E L Martin (appointed 1 June 2011)

Registered Office

Mortimer House
37-41 Mortimer Street
London
W1T 3JH

Auditor

Deloitte LLP
Chartered Accountants
2 New Street Square
London
EC4A 3BZ
United Kingdom

Taylor & Francis Group Limited

Directors' report

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

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Principal activity

During the year the Company's principal activity was acting as an intermediate holding company and the Directors expect the Company to continue in this role for the foreseeable future

Principal risks and uncertainties

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the Directors consider that the principal risk is the valuation of investments and that the amounts due to the Company may not be recoverable. The Directors monitor the risk associated with these investments and the credit risk associated with amounts due from group companies having regard for the underlying performance of those entities

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as set out in note 1

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and cash flow risk. The Company does not use derivative financial instruments

Credit risk

The Company's principal financial assets are intercompany receivables. The Company's credit risk is primarily attributable to its receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the receivable.

As the exposure is with companies also owned by its ultimate parent company the Directors consider that there is no significant credit risk.

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates in relation to sterling. The majority of the Company's business is conducted in US\$ but it is still exposed to exchange risk as certain balances with other group entities remain in sterling.

Dividends

The Directors do not recommend the payment of an ordinary dividend for the year ended 31 December 2011 (2010 \$nil)

Taylor & Francis Group Limited

Directors' report (continued)

Directors

The Directors who held office during the year and to the date of this report, were as follows

R G Horton
P S Rigby
J W Burton (resigned 31 August 2011)
A C Walker
G R Wright
R Jacobs (resigned 16 September 2011)
M Kerswell (resigned 31 March 2011)
R J J Hopley (appointed 1 November 2011)

Directors' indemnities

The Informa group 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

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that

- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- 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

Deloitte LLP have indicated their willingness to be reappointed as auditor and they will be reappointed in accordance with Companies Act 2006

Approved by the Board and signed on its behalf by



E L Martin
Secretary

29 March 2012

Mortimer House
37 – 41 Mortimer Street
London
W1T 3JH

Taylor & Francis Group Limited

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 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 with reasonable accuracy at any time the financial position of the company and to 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 Taylor & Francis Group Limited

We have audited the financial statements of Taylor & Francis Group Limited for the year ended 31 December 2011 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 14. 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 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 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 requirements of the Companies Act 2006.

Opinion on other matter prescribed by the 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, or
- the Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report.

Ian Waller

Ian Waller (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

29 March 2012

Taylor & Francis Group Limited

Profit and loss account Year ended 31 December 2011

	Notes	2011 \$'000	2010 \$'000
Administrative (expenses)/income		(1,166)	578
Operating (loss)/profit	3	(1,166)	578
Interest receivable and similar income	4	31,758	18,966
Interest payable and similar charges	5	(2,275)	(2,053)
Profit on ordinary activities before taxation		28,317	17,491
Tax (charge)/credit on profit on ordinary activities	6	(4,540)	1,137
Profit for the financial year	11	23,777	18,628

All results are derived from continuing operations

Taylor & Francis Group Limited

Statement of total recognised gains and losses Year ended 31 December 2011

	Note	2011 \$'000	2010 \$'000
Profit for the financial year	11	23,777	18,628
Currency translation differences	11	(938)	(2,601)
Total recognised gains and losses relating to the year		<u>22,839</u>	<u>16,027</u>

Taylor & Francis Group Limited

Balance sheet At 31 December 2011

	Notes	2011 \$'000	2010 \$'000
Fixed assets			
Investments	7	83,400	83,577
Current assets			
Debtors' amounts falling due within one year	8	1,139,078	1,139,079
Creditors' amounts falling due within one year	9	(136,416)	(159,433)
Net current assets		1,002,662	979,646
Net assets		1,086,062	1,063,223
Capital and reserves			
Called up share capital	10	7,977	7,977
Share premium	11	557,104	557,104
Hedging reserve	11	(258)	516
Profit and loss account	11	521,239	497,626
Total shareholders' funds	12	1,086,062	1,063,223

The financial statements of Taylor & Francis Group Limited (registered number 2280993) were approved by the Board of Directors and authorised for issue on 29 March 2012

They were signed on its behalf by



G R Wright
Director

Taylor & Francis Group Limited

Notes to the financial statements Year ended 31 December 2011

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted accounting practices).

As permitted by section 401 of the Companies Act 2006, the Company has not prepared consolidated financial statements as it is a subsidiary undertaking of Informa plc, a Company registered in Jersey which prepares consolidated financial statements including the results of Taylor & Francis Group Limited and its subsidiary undertakings. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent undertaking, Informa plc, includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary and the Company's voting rights are controlled within the group headed by Informa plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Informa plc, within which this Company is included, can be obtained from the address given in note 14.

Going concern

The Company is a 100% subsidiary of Informa plc. In reaching their decision to prepare the accounts on a going concern basis, the Directors have considered the impact of the current economic climate on both the company and also the Group of which it is a member.

Having given due consideration to the above factors and the anticipated future performance of the Company, the Directors have been able to form a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Investments

Fixed asset investments are stated at cost less provision for any impairment in value.

Hedging

The Company's holding activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values of the hedged item. Changes in the fair value of instruments that are designated and effective as hedges of are recognised directly in equity and the ineffective portion is recognised immediately in the profit and loss account.

Taylor & Francis Group Limited

Notes to the financial statements Year ended 31 December 2011

1. Accounting policies (continued)

Foreign currency

Transactions denominated in foreign currencies, other than those in designated hedge relationships, are recorded using the rate of exchange ruling on the date of the transaction. At the balance sheet date monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at that date. These translation differences are dealt with in the profit and loss account.

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 recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as most likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is the deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

2. Directors' remuneration

The Directors are employed and remunerated by other companies in the Informa plc group and do not receive any remuneration specifically for their services as Directors of the Company.

Taylor & Francis Group Limited

Notes to the financial statements Year ended 31 December 2011

3. Operating (loss)/profit

	2011 \$'000	2010 \$'000
Write down of amounts owed by group undertakings	(1,128)	-
Group recharge adjustment	-	640
Charges from another group undertaking	-	(62)
Foreign exchange losses	(38)	-
	<u>(1,166)</u>	<u>578</u>

The write down of amounts owed by group undertakings of \$1,128,171 is a result of a strike off of a fellow group company

The average number of employees, excluding Directors, was nil (2010 nil)

The fees payable to the Company's auditor for the audit of the financial statements of \$4,180 (2010 \$2,000) were borne by another group company

4. Interest receivable and similar income

	2011 \$'000	2010 \$'000
Interest from group undertakings	31,758	18,779
Foreign exchange gains	-	183
Other	-	4
	<u>31,758</u>	<u>18,966</u>

5. Interest payable and similar charges

	2011 \$'000	2010 \$'000
Interest to group undertakings	2,275	2,050
Other	-	3
	<u>2,275</u>	<u>2,053</u>

6. Tax charge/(credit) on profit on ordinary activities

	2011 \$'000	2010 \$'000
UK Corporation tax		
Current tax on profit for the year	7,504	-
Adjustments in respect of prior year	(2,964)	(1,137)
	<u>4,540</u>	<u>(1,137)</u>

Taylor & Francis Group Limited

Notes to the financial statements Year ended 31 December 2011

6. Tax charge/(credit) on profit on ordinary activities (continued)

Factors affecting the tax charge/(credit) for the current year

The current tax charge/(credit) for the year is lower (2010 lower) than the standard rate of corporation tax in the UK of 26.5% (2010 28%). The differences are explained below

	2011 \$'000	2010 \$'000
Current tax reconciliation		
Profit on ordinary activities before tax	28,317	17,491
Current tax at 26.5% (2010 28%)	7,504	4,897
Group relief claimed for nil consideration	-	(4,913)
Non taxable income	-	(1)
Expenses not deductible for tax purposes	-	17
Adjustments in respect of prior year	(2,964)	(1,137)
	<u>4,540</u>	<u>(1,137)</u>

Factors that may affect future tax charges

From 2011, companies within the Informa Group will pay for group losses claimed or receive payment for group losses surrendered. Prior to 2011, no such payments or receipts were made

7. Investments

	Shares in subsidiary undertakings \$'000
Cost and net book value	
At 1 January 2011	83,577
Exchange movements	(177)
At 31 December 2011	<u>83,400</u>

Taylor & Francis Group Limited

Notes to the financial statements Year ended 31 December 2011

7. Investments (continued)

The Company's principal subsidiary undertakings are as follows

Company	Country of registration/ incorporation	Principal activity	Ordinary shares held
Afterhurst Limited ¹	England & Wales	Distribution of books	100%
Routledge Publishing Holdings Limited	England & Wales	Holding Company	100%
Informa Healthcare AB ¹	Sweden	Provision of publishing services	100%
Taylor & Francis Books Limited ¹	England & Wales	Publishing of books	100%
Taylor & Francis Limited	England & Wales	Holding Company	100%
Taylor & Francis Publishing Services Limited	England & Wales	Provision of publishing services	100%

In the opinion of the Directors the investments in and amounts due from the Company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet. Details of other non-trading subsidiaries are available from the Company's registered office.

¹ These companies are indirect subsidiaries of Taylor & Francis Group Limited.

8 Debtors: amounts falling due within one year

	2011 \$'000	2010 \$'000
Amounts owed by group undertakings	1,139,078	1,139,079

Of the amounts owed by group undertakings \$1,139,000,000 (2010: \$1,139,000,000) bears interest at 3.00% (2010: 2.75%) and \$77,734 (2010: \$79,000) is non-interest bearing (2010: non-interest bearing).

9. Creditors: amounts falling due within one year

	2011 \$'000	2010 \$'000
Amounts owed to group undertakings	128,912	156,507
Corporation tax	7,504	2,926
	<u>136,416</u>	<u>159,433</u>

Of the amounts owed to group undertakings \$123,299,921 (2010: \$136,266,000) bears interest at LIBOR plus 1% (2010: LIBOR plus 1%) and \$5,611,750 (2010: \$20,241,000) is non-interest bearing (2010: non-interest bearing).

Taylor & Francis Group Limited

Notes to the financial statements Year ended 31 December 2011

10. Called up share capital

	2011 \$'000	2010 \$'000
Authorised share capital		
231,062,400 ordinary shares of \$0.05 each	11,553	11,553
Called up, allotted and fully paid share capital		
159,546,050 ordinary shares of \$0.05 each	7,977	7,977

11. Reserves

	Share premium \$'000	Hedging reserve \$'000	Profit and loss account \$'000	Total \$'000
At 1 January 2011	557,104	516	497,626	1,055,246
Profit for the financial year	-	-	23,777	23,777
Currency translation differences	-	(938)	-	(938)
Transfer from hedging reserve	-	164	(164)	-
At 31 December 2011	557,104	(258)	521,239	1,078,085

12. Reconciliation of movements in shareholders' funds

	2011 \$'000	2010 \$'000
Profit for the financial year	23,777	18,628
Currency translation differences	(938)	(2,601)
Net increase in shareholders' funds	22,839	16,027
Opening shareholders' funds	1,063,223	1,047,196
Closing shareholders' funds	1,086,062	1,063,223

13. Contingent liabilities

The Company jointly guarantees, with fellow group undertakings, a £1m (2010: £1m) overdraft facility.

14. Ultimate parent company and controlling party

The immediate parent undertaking is Informa DAP Limited, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent undertaking and controlling party is Informa plc, a company incorporated in Jersey under the Companies (Jersey) Law 1991. This is the smallest and largest group into which the Company is consolidated. Copies of the group financial statements for Informa plc are available at its principal place of business at Informa plc, Gubelstrasse 11, CH-6300, Zug, Switzerland.