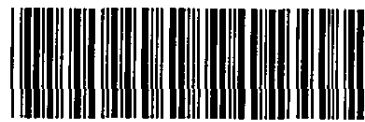


COMPANY REGISTRATION NUMBER 2416272

**IML GROUP PLC**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2013**

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COMPANIES HOUSE

**IML GROUP PLC**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

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**IML GROUP PLC**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	P N Jago S Jago
<b>Company secretary</b>	P N Jago
<b>Registered office</b>	Blair House 184/186 High Street Tonbridge Kent TN9 1BE
<b>Auditor</b>	Shipleys LLP Chartered Accountants & Statutory Auditor 10 Orange Street Haymarket London WC2H 7DQ

**IML GROUP PLC**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 MARCH 2013**

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2013

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company continued to be that of a holding company. Turnover in the year fell by 13% against the previous year, which benefited from xSolutions, an exhibition planned as an annual event. Support for such frequency in spite of the relative success of the first show, did not reach levels to encourage a second event, which was cancelled some months prior to its projected opening.

While our customers' marketing teams were talking of plans to increase promotional spend - talk that had influenced the decision to run a second xSolutions - the conversion to spending commitment remained firmly in the hope rather than action category.

Only our Soft Media Revenues (emarketing, digital publishing and on line activities) showed any growth in the year. While our Regional Events and Awards programmes prospered, the loss of xSolutions saw overall revenue from face to face activity fall by 39%.

As a result, soft media and traditional print income respectively increased to a 21% (2012 19%) and 65% (2012 61%) share of total income. This leaves us some way off the 50/50 balance between print and all other marketing services that is our target but also suggests the consistent prediction of the imminent demise of old fashioned, touchable publishing may be as inaccurate as ever. Certainly, the price attraction and modernity of "new media" and the social networking it supports, is still a long way from market dominance. This may be because a targeted print product not only works effectively in its own right but is still the best driver of audiences to electronic media.

In the face of continued bank pressure to cut our overdraft, which produced additional cash flow problems over and above those emanating from the contagion of caution afflicting our advertisers, IML has had to find other methods to produce profit from declining income. Where in the past we may have earned support from our bank to grow the business, all IML has experienced in the past four years of Natwest involvement is a continual requirement to lower the bank's exposure. This, in a business that each year has produced profit in spite of the harsh and competitive market conditions in which it operates.

The ability to take our titles electronically to a wider audience than could be achieved through a physical product, has brought considerable savings whilst allowing wider market penetration than would otherwise be viable. In 2012/13 this approach resulted in a reduction of 20% in the cost of manufacture, in spite of huge increases in Royal Mail distribution costs.

After 35 years in business, a number of our long serving employees retired. This plus an aggressive review of our service operation has seen the employee level fall by almost a quarter and while some of this effect will be seen in the next year, administration costs fell by 18% to year end 2013.

These factors have enabled the Company to lift profit before tax in 2013 to some 90% above those of the previous year. However there is a limit to cost savings based profit growth, which IML has probably now reached.

**Key performance indicators**

(i) Turnover Number of sales staff, 2013 - £205,116 per sales staff (2012 - £197,644 per sales staff) (ii) Debt collection period, 2013 - 49 days (2012 - 61 days) (iii) Gross profit margin, 2013 - 23% (2012 - 21%)

# **IML GROUP PLC**

## **THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2013**

### **FUTURE DEVELOPMENTS**

We have to recognise that the future of IML lies in new markets. Our core products rooted as they are in UK manufacturing industry, survive in declining markets likely neither to completely disappear nor attract the levels of promotional expenditure they once experienced.

Electronic communication of business data in all forms will grow in acceptance and influence. Our ability to harness modern delivery methods will be worth nothing to users - and therefore our customers - if we fail to maintain the ability to inform, interest and involve our database of decision taking readers, through a medium of their preference.

So our concentration will continue to be focused on the production of original editorial content, to meet the needs of readers of significant influence, in the decision hierarchy of operations with the most business potential for our advertisers.

Our content must continue to be available through all the delivery methods communications technology offers our reader marketplace. Our UK only distributions must be widened to embrace emerging markets of significance to our customers, recognising the international value of our editorial content and expanding our revenue base.

And we must return to the requirement that enabled the Company's success thirty five years ago of a new market launch, each year, for the next five years.

### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £136,842. The directors have not recommended a dividend.

### **FINANCIAL INSTRUMENTS**

Details of the company's financial risk management objectives and policies are included in note 16 to the accounts.

### **DIRECTORS**

The directors who served the company during the year were as follows:

P N Jago  
S Jago

### **MARKET VALUE OF LAND AND BUILDINGS**

In the opinion of the directors the net realisable value of the freehold property included in tangible fixed assets is substantially lower than the current carrying amount. However, as there is no intention to sell the property and the value in use is considered to be higher than the carrying value no adjustment has been made in the financial statements.

### **POLICY ON THE PAYMENT OF CREDITORS**

The company's current policy concerning the payment of trade creditors is to

- settle the terms of payment with suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment, by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 89 days purchases (2009: 58 days).

# IML GROUP PLC

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

### 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 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 the group and of the profit or loss of the group for that year.

In preparing those 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### DONATIONS

During the year the company made the following contributions

	2013	2012
	£	£
Charitable	500	650

**IML GROUP PLC**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 MARCH 2013**

**AUDITOR**

Shipleys LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
Blair House  
184/186 High Street  
Tonbridge  
Kent  
TN9 1BE

Signed on behalf of the directors

A handwritten signature in black ink, appearing to read 'P N Jago', written in a cursive style.

P N JAGO  
Director

Approved by the directors on

**IML GROUP PLC**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**IML GROUP PLC**

**YEAR ENDED 31 MARCH 2013**

We have audited the group and parent company financial statements ("the financial statements") of IML Group Plc for the year ended 31 March 2013 which comprise the Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Group Cash Flow and the related notes. 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 shareholders, 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 shareholders 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 shareholders 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 set out on page 4, 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 (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 group's and the parent 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 group's and parent company's affairs as at 31 March 2013 and of the group's 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 MATTERS 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.



# IML GROUP PLC

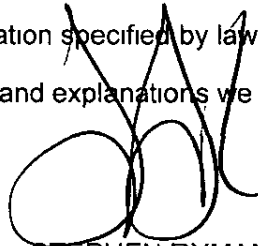
## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IML GROUP PLC *(continued)*

YEAR ENDED 31 MARCH 2013

### 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



STEPHEN RYMAN (Senior Statutory Auditor)

For and on behalf of  
SHIPLEYS LLP  
Chartered Accountants  
& Statutory Auditor

10 Orange Street  
Haymarket  
London  
WC2H 7DQ

38/9/13

**IML GROUP PLC**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
<b>GROUP TURNOVER</b>	<b>2</b>	<b>3,281,850</b>	<b>3,755,241</b>
Cost of sales		(2,507,172)	(2,965,031)
<b>GROSS PROFIT</b>		<b>774,678</b>	<b>790,210</b>
Administrative expenses		(552,364)	(622,353)
<b>OPERATING PROFIT</b>	<b>3</b>	<b>222,314</b>	<b>167,857</b>
Interest receivable		17	34
Interest payable and similar charges	<b>6</b>	(59,254)	(81,792)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>163,077</b>	<b>86,099</b>
Tax on profit on ordinary activities	<b>7</b>	(26,235)	(30,897)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>8</b>	<b>136,842</b>	<b>55,202</b>

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the  
year as set out above

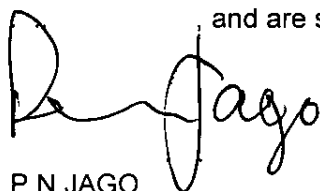
The company has taken advantage of section 408 of the Companies Act 2006  
not to publish its own Profit and Loss Account

The notes on pages 13 to 23 form part of these financial statements

**IML GROUP PLC**  
**GROUP BALANCE SHEET**  
**31 MARCH 2013**

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Intangible assets	9	4,084,282	4,084,282
Tangible assets	10	692,199	710,484
		<u>4,776,481</u>	<u>4,794,766</u>
<b>CURRENT ASSETS</b>			
Stocks	12	61,484	48,575
Debtors	13	551,611	770,534
Cash at bank		968,803	988,166
		<u>1,581,898</u>	<u>1,807,275</u>
<b>CREDITORS. Amounts falling due within one year</b>	14	(2,123,538)	(2,548,134)
<b>NET CURRENT LIABILITIES</b>		<u>(541,640)</u>	<u>(740,859)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,234,841</u>	<u>4,053,907</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	15	(552,201)	(508,109)
		<u>3,682,640</u>	<u>3,545,798</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	20	776,863	776,863
Revaluation reserve	21	1,282,394	1,282,394
Profit and loss account	21	1,623,383	1,486,541
<b>SHAREHOLDERS' FUNDS</b>	22	<u>3,682,640</u>	<u>3,545,798</u>

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by

  
P N JAGO

The notes on pages 13 to 23 form part of these financial statements

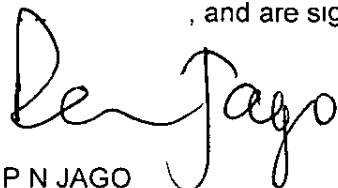
# IML GROUP PLC

## BALANCE SHEET

31 MARCH 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Investments	11	2,228,723	2,228,723
<b>CURRENT ASSETS</b>			
Debtors	13	26,372	36,920
<b>CREDITORS: Amounts falling due within one year</b>	14	(133,259)	(133,259)
<b>NET CURRENT LIABILITIES</b>		(106,887)	(96,339)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,121,836	2,132,384
<b>CREDITORS: Amounts falling due after more than one year</b>	15	(1,344,936)	(1,355,470)
		<u>776,900</u>	<u>776,914</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	20	776,863	776,863
Profit and loss account	21	37	51
<b>SHAREHOLDERS' FUNDS</b>		<u>776,900</u>	<u>776,914</u>

These financial statements were approved by the directors and authorised for issue on , and are signed on their behalf by



P N JAGO

Company Registration Number 2416272

The notes on pages 13 to 23 form part of these financial statements

**IML GROUP PLC**  
**GROUP CASH FLOW**  
**YEAR ENDED 31 MARCH 2013**

	2013		2012
	£	£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		34,004	204,456
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received	17		34
Interest paid	<u>(59,254)</u>		<u>(81,792)</u>
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		(59,237)	(81,758)
<b>TAXATION</b>		(27,494)	(18,053)
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire tangible fixed assets	(993)		—
Receipts from sale of fixed assets	<u>5</u>		<u>—</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		(988)	—
<b>CASH (OUTFLOW)/INFLOW BEFORE FINANCING</b>		(53,715)	104,645
<b>FINANCING</b>			
Repayment of bank loans	(23,795)		(20,052)
Net inflow/(outflow) from other long-term creditors	<u>67,887</u>		<u>(70,789)</u>
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING</b>		44,092	(90,841)
<b>(DECREASE)/INCREASE IN CASH</b>		<u>(9,623)</u>	<u>13,804</u>

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2013	2012
	£	£
Operating profit	222,314	167,857
Depreciation	19,273	23,533
(Increase)/decrease in stocks	(12,909)	8,301
Decrease in debtors	218,923	72,234
Decrease in creditors	<u>(413,597)</u>	<u>(67,469)</u>
Net cash inflow from operating activities	<u>34,004</u>	<u>204,456</u>

The notes on pages 13 to 23 form part of these financial statements

# IML GROUP PLC

## GROUP CASH FLOW

YEAR ENDED 31 MARCH 2013

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013		2012	
	£	£	£	£
(Decrease)/increase in cash in the period	(9,623)		13,804	
Net cash outflow from bank loans	23,795		20,052	
Net cash (inflow) from/outflow from other long-term creditors	<u>(67,887)</u>		<u>70,789</u>	
		(53,715)		104,645
Change in net debt		(53,715)		104,645
Net debt at 1 April 2012		<u>(726,816)</u>		<u>(831,461)</u>
Net debt at 31 March 2013		<u>(780,531)</u>		<u>(726,816)</u>

### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2012	Cash flows	At 31 Mar 2013
	£	£	£
Net cash			
Cash in hand and at bank	988,166	(19,363)	968,803
Overdrafts	<u>(1,206,873)</u>	<u>9,740</u>	<u>(1,197,133)</u>
	<u>(218,707)</u>	<u>(9,623)</u>	<u>(228,330)</u>
Debt			
Debt due after 1 year	<u>(508,109)</u>	<u>(44,092)</u>	<u>(552,201)</u>
Net debt	<u>(726,816)</u>	<u>(53,715)</u>	<u>(780,531)</u>

The notes on pages 13 to 23 form part of these financial statements

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

**Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practise), which have been applied consistently (except as otherwise stated)

**Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2008

**Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

**Goodwill**

Acquired goodwill is written off in equal instalments over its estimated useful economic life

**Exhibitions**

Profits on exhibitions are taken to the profit and loss account in the period of the exhibition. Where costs in respect of an exhibition are incurred in a period prior to the exhibition, such amounts are taken to the profit and loss account in the period in which they arise unless there is reasonable certainty that the exhibition will result in a profit

**Intangible Assets**

Intangible assets represent publishing rights and titles, databases and exhibition rights. Publishing rights in respect of well established titles with readily ascertainable market values on the basis of their estimated minimum market values. In accordance with the requirements of FRS 10 the values are reviewed annually. Having no finite economic life, amortisation is not provided.

**Fixed assets**

Tangible fixed assets include investment properties valued by the directors on an existing use open market basis. Other tangible fixed assets are stated at cost or valuation less depreciation.

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	- 20% straight line
Equipment	- 20% straight line

The directors consider that the level of repairs and maintenance on freehold buildings will result in high residual values and long economic lives such that any depreciation charge would be immaterial

**Stocks**

Stock is valued at the lower of cost and net realisable value

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**Pension costs**

During the year the group operated two separate defined contribution pension schemes for the directors and staff. The staff scheme is closed and a new stakeholder scheme has been set up for employees. The pension costs charged in the financial statements represent the contributions payable by the group during the year.

**Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing publishing rights or property to market value, as the company does not intend to sell the revalued assets.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.



**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

**Investments**

Fixed asset investments are stated at cost less provision of diminution in value.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
United Kingdom	2,611,226	3,163,169
Europe	404,083	322,451
Other	266,541	269,621
	<u>3,281,850</u>	<u>3,755,241</u>

**3. OPERATING PROFIT**

Operating profit is stated after charging:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	19,273	23,533
Operating lease costs		
- Plant and equipment	4,480	4,369
- Other	64,000	77,500
Net loss on foreign currency translation	-	20,140
Auditor's remuneration - audit of the financial statements	10,000	10,000
Auditor's remuneration - other fees	<u>31,275</u>	<u>42,952</u>

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

	<b>2013</b> £	2012 £
Auditor's remuneration - audit of the financial statements	<u>10,000</u>	<u>10,000</u>
Auditor's remuneration - other fees		
- Local statutory audit of subsidiary	8,000	8,000
- Taxation services	9,500	9,500
- Non- audit work	<u>13,775</u>	<u>25,452</u>
	<u>31,275</u>	<u>42,952</u>

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the group during the financial year amounted to

	<b>2013</b> No	2012 No
Administration	12	12
Editorial	9	9
Advertising sales	<u>16</u>	<u>19</u>
	<u>37</u>	<u>40</u>

The aggregate payroll costs of the above were

	<b>2013</b> £	2012 £
Wages and salaries	1,162,049	1,322,039
Social security costs	129,858	131,529
Other pension costs	<u>76,768</u>	<u>62,986</u>
	<u>1,368,675</u>	<u>1,516,554</u>

**5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2013</b> £	2012 £
Remuneration receivable	99,810	99,622
Value of company pension contributions to money purchase schemes	<u>34,200</u>	<u>18,000</u>
	<u>134,010</u>	<u>117,622</u>

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**5. DIRECTORS' REMUNERATION** *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows

	2013 No	2012 No
Money purchase schemes	<u>1</u>	<u>1</u>

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	2013 £	2012 £
Interest payable on bank borrowing	52,135	39,082
Other similar charges payable	<u>7,119</u>	<u>42,710</u>
	<u>59,254</u>	<u>81,792</u>

**7 TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2013 £	2012 £
Current tax		
UK Corporation tax based on the results for the year at 20% (2012 - 20%)	26,235	30,897
Total current tax	<u>26,235</u>	<u>30,897</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2012 - 20%)

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>163,077</u>	<u>86,099</u>
Profit on ordinary activities by rate of tax	32,615	17,220
Expenses not deductible for tax purposes	6,503	16,912
Capital allowances for period in excess of depreciation	(243)	(3,235)
Utilisation of tax losses	<u>(12,640)</u>	<u>-</u>
Total current tax (note 7(a))	<u>26,235</u>	<u>30,897</u>

**8 LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY**

The loss dealt with in the financial statements of the parent company was £(14) (2012 - £18)

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**9. INTANGIBLE FIXED ASSETS**

Group	Publishing rights £
<b>COST</b>	
At 1 April 2012 and 31 March 2013	<u>4,084,282</u>
<b>AMORTISATION</b>	
At 1 April 2012 and 31 March 2013	<u>—</u>
<b>NET BOOK VALUE</b>	
At 31 March 2013	<u>4,084,282</u>
At 31 March 2012	<u>4,084,282</u>

**10. TANGIBLE FIXED ASSETS**

Group	Freehold Property £	Fixtures & Fittings £	Equipment £	Total £
<b>COST OR VALUATION</b>				
At 1 April 2012	658,855	11,868	115,476	786,199
Additions	—	—	993	993
Disposals	—	(295)	(13,951)	(14,246)
<b>At 31 March 2013</b>	<u>658,855</u>	<u>11,573</u>	<u>102,518</u>	<u>772,946</u>
<b>DEPRECIATION</b>				
At 1 April 2012	—	11,100	64,615	75,715
Charge for the year	—	242	19,031	19,273
On disposals	—	(295)	(13,946)	(14,241)
<b>At 31 March 2013</b>	<u>—</u>	<u>11,047</u>	<u>69,700</u>	<u>80,747</u>
<b>NET BOOK VALUE</b>				
<b>At 31 March 2013</b>	<u>658,855</u>	<u>526</u>	<u>32,818</u>	<u>692,199</u>
At 31 March 2012	<u>658,855</u>	<u>768</u>	<u>50,861</u>	<u>710,484</u>

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**11. INVESTMENTS**

Company	Group companies £
<b>COST</b>	
At 1 April 2012 and 31 March 2013	<u>2,228,723</u>
<b>NET BOOK VALUE</b>	
At 31 March 2013 and 31 March 2012	<u>2,228,723</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet. The company owns 100% of the issued share capital of Industrial Media Limited, a publisher of business magazines, who are registered in England and Wales.

**12. STOCKS**

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Papers, wrappers and sundry consumables	<u>61,484</u>	<u>48,575</u>	<u>—</u>	<u>—</u>

**13. DEBTORS**

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	456,491	631,707	—	—
Other debtors	5,540	44,076	—	—
Prepayments and accrued income	89,580	94,751	26,372	36,920
	<u>551,611</u>	<u>770,534</u>	<u>26,372</u>	<u>36,920</u>

**14. CREDITORS. Amounts falling due within one year**

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Secured redeemable loan stock	126,408	126,408	126,408	126,408
Overdrafts	1,197,133	1,206,873	—	—
Trade creditors	341,904	492,285	—	—
Other creditors including taxation and social security				
Corporation tax	27,215	28,474	—	—
Other taxation and social security	266,772	382,440	2,171	2,171
Other creditors	61,616	74,840	4,680	4,680
Accruals and deferred income	102,490	236,814	—	—
	<u>2,123,538</u>	<u>2,548,134</u>	<u>133,259</u>	<u>133,259</u>

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**14. CREDITORS. Amounts falling due within one year** *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company

	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Debenture loans	–	252,816	–	126,408
Overdrafts	–	1,206,873	–	–
	<u>–</u>	<u>1,459,689</u>	<u>–</u>	<u>126,408</u>

**15. CREDITORS. Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	124,989	148,784	–	–
Amounts owed to group undertakings	–	–	1,273,640	1,159,293
Other creditors including				
Other creditors	355,916	163,148	–	–
Secured redeemable loan stock	71,296	196,177	71,296	196,177
	<u>552,201</u>	<u>508,109</u>	<u>1,344,936</u>	<u>1,355,470</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Debenture loans	–	392,354	–	196,177
Bank loans and overdrafts	–	148,784	–	148,784
	<u>–</u>	<u>541,138</u>	<u>–</u>	<u>344,961</u>

The bank loans and overdrafts are secured by fixed and floating charges over the assets and undertaking of the group

The bank loans are repayable by fixed monthly instalments including interest which is charged at 5% above the Natwest bank base rate

Other loans are repayable on 31 March 2016

The secured redeemable loan stock is repayable at the option of either the stockholders or the company. The stock bears interest at 2% below Barclays Bank base rate. The interest becomes due upon repayment of the principal loan. The redeemable loan stock is secured against all freehold property and all other tangible and intangible assets.

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**15. CREDITORS** Amounts falling due after more than one year *(continued)*

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	31,199	73,310	—	—
Other creditors	24,474	46,831	—	—
	<u>55,673</u>	<u>120,141</u>	<u>—</u>	<u>—</u>

**16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company and group's financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans to the company. The main purpose of these instruments is to raise funds for the group's operations and to finance the group's operations.

Due to the nature of the financial instruments used by the company and group there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The group makes use of money market facilities where funds are available.

In respect of loans these comprise loans from directors and loans from financial institutions. The interest rate on the loans from financial institutions is variable but the quarterly repayments are fixed. The group manages the liquidity risk by ensuring there are sufficient funds to meet payments. The interest rates on the loans from directors are variable and the loans payable on demand. The directors are aware of the group's required finance and have determined that these will only be repaid, in whole or in part, when finance is available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**17. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as set out below

<b>Group</b>	<b>Land and buildings</b>	
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
Within 2 to 5 years	<u>64,000</u>	<u>77,500</u>

**18 CONTINGENCIES**

The company has a contingent liability in respect of a cross-guarantee given to Natwest Bank for the bank loans and overdrafts of Industrial Media Limited, a subsidiary company. At 31 March 2012, these bank loans and overdrafts totalled £1,197,133 (2012 £1,206,873)

**19 RELATED PARTY TRANSACTIONS**

P N Jago is a member of the IML Directors Pension Scheme. The company occupies properties owned by the scheme at open market value rentals of £64,000 (2012 - £77,500)

A loan of £53,840 (2012 £66,385) was due to the scheme at the year end, of which £53,840 (2012 £66,385) bears interest at a fixed rate of 7.5%. During the year, IML has made payments for expenses and VAT on behalf of the scheme, resulting in a balance due to the scheme at the year end of £940 (2012 £34,244 due from the scheme)

Half of the secured redeemable Loan Stock of £197,704 (2012 £322,585) is due to settlements in which P N Jago has material interests

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

**20 SHARE CAPITAL**

**Authorised share capital.**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
241,072 Ordinary shares of £1 each	241,072	241,072
20,000 Ordinary shares of £0.01 each	200	200
675,000 Deferred ordinary shares of £1 each	675,000	675,000
83,928 Ordinary 'B' Shares of £1 each	83,928	83,928
	<u>1,000,200</u>	<u>1,000,200</u>



**IML GROUP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**20. SHARE CAPITAL** *(continued)*

**Allotted, called up and fully paid**

	<b>2013</b>		<b>2012</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
17,754 Ordinary shares of £1 each	17,754	17,754	17,754	17,754
18,138 Ordinary shares of £0.01 each	18,138	181	18,138	181
675,000 Deferred ordinary shares of £1 each	675,000	675,000	675,000	675,000
83,928 Ordinary 'B' Shares shares of £1 each	83,928	83,928	83,928	83,928
	<u>794,820</u>	<u>776,863</u>	<u>794,820</u>	<u>776,863</u>

**21. RESERVES**

<b>Group</b>	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>
Balance brought forward	1,282,394	1,486,541
Profit for the year	—	136,842
Balance carried forward	<u>1,282,394</u>	<u>1,623,383</u>
<b>Company</b>		<b>Profit and loss account £</b>
Balance brought forward		51
Loss for the year		(14)
Balance carried forward		<u>37</u>

The revaluation reserve at the year end relates to group intangible assets which are valued in accordance with the accounting policy stated above

**22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2013 £</b>	<b>2012 £</b>
Profit for the financial year	136,842	55,202
Opening shareholders' funds	3,545,798	3,490,596
Closing shareholders' funds	<u>3,682,640</u>	<u>3,545,798</u>

**23. CONTROL**

The ultimate controlling party is P N Jago, a director and shareholder of the company

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**IML GROUP PLC**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 31 MARCH 2013**

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 6 to 7**

**IML GROUP PLC**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2013**

	2013		2012	
	£	£	£	£
<b>TURNOVER</b>		3,281,850		3,755,241
<b>COST OF SALES</b>				
Production costs	(846,255)		(1,047,111)	
Editorial costs	(121,466)		(113,427)	
Journal services	(161,236)		(263,834)	
Advertising costs	(292,229)		(302,520)	
Wages and salaries	(937,243)		(1,080,378)	
National insurance contributions on direct labour	(106,175)		(112,775)	
Staff pension scheme costs	(42,568)		(44,986)	
		(2,507,172)		(2,965,031)
<b>GROSS PROFIT</b>		774,678		790,210
<b>OVERHEADS</b>				
Administrative expenses	(552,364)		(622,353)	
<b>OPERATING PROFIT</b>		222,314		167,857
Bank interest receivable		17		34
		222,331		167,891
Interest payable and similar charges		(59,254)		(81,792)
<b>PROFIT ON ORDINARY ACTIVITIES</b>		163,077		86,099

# IML GROUP PLC

## NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2013

	2013		2012	
	£	£	£	£
<b>ADMINISTRATIVE EXPENSES</b>				
<b>Personnel costs</b>				
Directors salaries	99,810		99,622	
Directors national insurance contributions	11,430		11,545	
Directors pension contributions	34,200		18,000	
Wages and salaries	124,996		142,039	
Employers national insurance contributions	12,253		7,209	
		282,689		278,415
<b>Establishment expenses</b>				
Rent	64,000		77,500	
Rates	61,515		58,260	
Light and heat	10,470		8,627	
Insurance	10,124		18,922	
Repairs and maintenance	9,828		33,298	
		155,937		196,607
<b>General expenses</b>				
Travel and subsistence	18,081		10,995	
Telephone	2,847		1,669	
Equipment leasing	4,480		4,369	
Staff welfare	2,875		9,322	
Sundry expenses	14,483		2,634	
Donations	500		650	
Entertaining	—		5,094	
Legal and professional fees	10,693		8,505	
Accountancy fees	23,275		34,952	
Auditors remuneration	10,000		10,000	
Depreciation	19,273		23,533	
		106,507		111,723
<b>Financial costs</b>				
Bad debts written off	—		8,400	
Bank charges	7,231		7,068	
Foreign currency gains/losses	—		20,140	
		7,231		35,608
		<u>552,364</u>		<u>622,353</u>
<b>INTEREST RECEIVABLE</b>				
Bank interest receivable		17		34
<b>INTEREST PAYABLE AND SIMILAR CHARGES</b>				
Bank interest payable		52,135		39,082
Other similar charges		7,119		42,710
		<u>59,254</u>		<u>81,792</u>