

Registration number 02708675

BBC Haymarket Exhibitions Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2011

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BBC Haymarket Exhibitions Limited
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BBC Haymarket Exhibitions Limited
Company Information

Directors	K Costello J D Duckworth N R J Brett L Biggs L M E Borlenghi J D Hewes D P Langridge P Murphy
Company secretary	P S Goodman
Registered office	174 Hammersmith Road London W6 7JP
Auditor	Deloitte LLP London
Bankers	The Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB
Solicitors	Lewis Silkin LLP London

BBC Haymarket Exhibitions Limited

Directors' Report for the Year Ended 31 December 2011

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

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

Business review and principal activities

The principal activity of the company continues to be the organisation of public exhibitions. The Directors do not anticipate any major changes in the foreseeable future.

Review of developments

The Company's results for the year and state of affairs as at 31 December 2011 are shown in the attached financial statements. The loss for the year after taxation is £295,000 (year ended 31 December 2010: £48,000 loss).

No dividend was paid in the year (2010: £Nil).

Directors and their interests

The present membership of the board is set out on page 1. On 11 January 2012, Lara Borlenghi, James Hewes, David Langridge and Philip Murphy were appointed to the board and Kevin Langford resigned as a director on the same date.

None of the Directors held any shares in the Company. 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.

Financial risk management

The financial risks that the Directors consider most applicable to the company are credit risk and liquidity risk.

The Company's credit and liquidity risk is mitigated by the fact that the balances owed to it are owed by fellow group companies which would be able to settle these balances should they need to be repaid, and that each of the Companies is funded and supported by their parent company, Haymarket Group Limited. The company receives a large proportion of its revenue in advance of its events and has adequate financial resources to meet its daily operating requirements.

Going concern basis adopted in preparing financial statements

The Directors acknowledge the uncertainty inherent in forecasting revenue in the current economic environment. However, they believe that, having drawn up the Company's latest forecasts, which take into account their view of reasonably possible adverse variations in trading performance, the Company will continue to generate sufficient cash to meet its liabilities as they become due for the foreseeable future. Consequently, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

BBC Haymarket Exhibitions Limited
Directors' Report for the Year Ended 31 December 2011

(continued)

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

Re-appointment of the 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

Approved by the Board on ^{23 July}2012 and signed on its behalf by



P S Goodman
Company secretary

BBC Haymarket Exhibitions 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, 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 Auditor's Report to the Members of BBC Haymarket Exhibitions Limited

We have audited the financial statements of BBC Haymarket Exhibitions Limited for the year ended 31 December 2011 which comprise Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 17. 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 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.

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.

**Independent Auditor's Report to the Members of
BBC Haymarket Exhibitions Limited**

(continued)

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 director was not entitled to take advantage of the small companies exemption in preparing the director's report



William Touche (Senior Statutory Auditor)
For and on behalf of Deloitte LLP, Statutory Auditor

London

Date 23 July 2012

BBC Haymarket Exhibitions Limited
Profit and Loss Account for the Year Ended 31 December 2011

	Note	2011 £ 000	2010 £ 000
Turnover	1	8,501	8,542
Cost of sales	1	<u>(8,300)</u>	<u>(8,201)</u>
Gross profit		201	341
Administrative expenses		<u>(605)</u>	<u>(391)</u>
Operating loss	2	(404)	(50)
Interest receivable and similar income		<u>2</u>	<u>1</u>
Loss on ordinary activities before taxation		(402)	(49)
Tax on profit or loss on ordinary activities	4	<u>107</u>	<u>1</u>
Loss for the financial year		<u><u>(295)</u></u>	<u><u>(48)</u></u>

Turnover and operating loss derive wholly from continuing operations

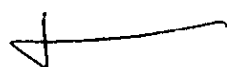
All operations during the year are continuing operations

The company has no recognised gains or losses for the year other than the results above. Accordingly, no statement of total recognised gains and losses is presented in these accounts.

BBC Haymarket Exhibitions Limited**(Registration number: 02708675)****Balance Sheet at 31 December 2011**

	Note	2011 £ 000	2010 £ 000
Fixed assets			
Intangible fixed assets	5	<u>40</u>	<u>45</u>
Current assets			
Debtors due in less than one year		4,006	3,787
Debtors due after one year	7 2	-	455
Cash at bank and in hand		<u>1,199</u>	<u>1,995</u>
		5,205	6,237
Creditors Amounts falling due within one year	8	<u>(4,964)</u>	<u>(6,092)</u>
Net current assets		<u>241</u>	<u>145</u>
Total assets less current liabilities		281	190
Creditors Amounts falling due after more than one year	9	<u>(386)</u>	-
Net (liabilities)/assets		<u>(105)</u>	<u>190</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	<u>(106)</u>	<u>189</u>
Total shareholders (deficit)/ funds	12	<u>(105)</u>	<u>190</u>

The financial statements of BBC Haymarket Exhibitions Limited (Company registration number 2708675), have been authorised and approved for issue by the Board of Directors on ²³ July 2012, and signed on behalf of the board by,



J D Duckworth
Director

BBC Haymarket Exhibitions Limited
Cash Flow Statement for the Year Ended 31 December 2011

	Notes	2011	2010
		£000	£000
Net cash (outflow)/inflow from operating activities	13	(617)	1,257
Returns on investment and servicing of finance			
Interest received		2	1
Net cash (outflow)/inflow from returns on investments and servicing of finance		(615)	1,258
Acquisition of intangible asset		-	(50)
Tax paid		(2)	(28)
(Decrease)/increase in cash in the year	14,15	(617)	1,180

BBC Haymarket Exhibitions Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under 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. In preparing the financial statements the directors have adopted the going concern basis, as explained in the Directors' Report.

Amortisation

Exhibition rights, whether acquired as assets or as a business combination, are held at cost less any provision for impairment in value and are amortised on a straight-line basis over the economic life of the asset, estimated to be between 10 years. Acquired non-compete agreements are amortised over the effective period of that agreement.

Asset class	Amortisation method and rate
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Exhibitions Rights	Straight line
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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.

Pensions

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 and arises from events held in the UK.

Revenue from exhibitions, conferences and other events is recognised on the date of the event.

Cost of Sales

Cost of sales represents amounts payable for goods and services net of sales tax and trade discounts.

All costs relating to exhibitions, conferences and other events are recognised on the date of the event based in the UK.

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting Policies (continued)

Related party transactions

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Operating loss

Profit on ordinary activities is after charging

	2011 £ 000	2010 £ 000
Auditor's remuneration - The audit of the company's annual accounts	15	15
Amortisation	<u>5</u>	<u>5</u>

Staff costs during the year

	2011 £ 000	2010 £ 000
Wages and salaries	1,076	997
Social security costs	113	106
Staff pensions	<u>34</u>	<u>37</u>
	<u>1,223</u>	<u>1,140</u>

The average number of persons employed by the company (excluding directors) during the year, analysed by category was as follows

	2011 No.	2010 No.
Average number of persons employed (excluding directors)	<u>27</u>	<u>22</u>

All staff work in the organising of exhibitions. Staff are employed under contracts of employment with a fellow group company of a company shareholder. Directors of BBC Haymarket Exhibitions Limited do not receive emoluments from the Company in connection with their services to the company.

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

3 Other interest receivable and similar income

	2011 £ 000	2010 £ 000
Bank interest receivable	<u>2</u>	<u>1</u>

4 Tax credit on loss on ordinary activities

The tax is made up as follows

	2011 £ 000	2010 £ 000
Current tax		
Payment receivable for consortium relief	(101)	(58)
Adjustments in respect of previous years	<u>(185)</u>	<u>-</u>
Total tax credit	(286)	(58)
Deferred tax		
Total deferred tax (see note 6)	<u>179</u>	<u>57</u>
Total tax on loss on ordinary activities	<u>(107)</u>	<u>(1)</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 26.5% (2010 - 28%). The current tax for the year differs from 26.5% for the reasons set out in the following reconciliation

Reconciliation of current tax

	2011 £ 000	2010 £ 000
Loss on ordinary activities before taxation	<u>(402)</u>	<u>(49)</u>
Tax at 26.5% thereon	(106)	(14)
- Other short term timing differences	-	(235)
- Expenses not deductible for tax purposes	5	6
- Adjustment in respect of prior years	(185)	-
- Utilisation of tax losses	<u>-</u>	<u>185</u>
Total current tax	<u>(286)</u>	<u>(58)</u>

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

Tax credit on loss on ordinary activities (continued)

The 2012 budget (delivered on 21 March 2012) announced a reduction to the UK corporation tax rate, meaning the rate will be 24% with effect from 1 April 2012. The Government has also indicated that it intends to introduce further reductions in the main tax rate, with the rate falling by 1% each year down to 22% by 1 April 2014.

5 Intangible fixed assets

	Exhibitions Rights £ 000
Cost	
At 1 January 2011	50
At 31 December 2011	50
Amortisation	
At 1 January 2011	5
Charge for the year	5
At 31 December 2011	10
Net book value	
At 31 December 2011	40
At 31 December 2010	45

6 Deferred tax

There is a deferred tax asset of £nil (2010 £179,000)

	2011 £ 000	2010 £ 000
Unutilised tax losses	-	179
	-	179

The movement on the deferred tax asset recognised during the year was as follows

	£ 000
Balance at 1 January 2011	179
Deferred tax charge	(179)
Balance at 31 December 2011	-

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

7 Debtors

7.1 Debtors falling due less than one year

	2011 £ 000	2010 £ 000
Trade debtors	758	708
Deferred tax	-	179
Amounts owed by shareholders	2,092	2,051
Other debtors	15	15
Taxation and social security	115	191
Prepayments and accrued income	1,026	593
Corporation tax	-	50
	<u>4,006</u>	<u>3,787</u>

Amounts owed to shareholders are unsecured, interest free and repayable due within one year but with no fixed repayment date

Amounts owed by shareholders are unsecured, interest free and repayable after more than one year with no fixed repayment date

7.2 Debtors over one year

	2011 £ 000	2010 £ 000
Amounts owed by Shareholders	-	455
	<u>-</u>	<u>455</u>

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

8 Creditors: Amounts falling due within one year

	2011 £ 000	2010 £ 000
Trade creditors	848	1,053
Other creditors	40	-
Amounts owed to shareholders	2,011	2,078
Accruals and deferred income	2,065	2,961
	<u>4,964</u>	<u>6,092</u>

The £2,011,000 loans from the shareholders, Haymarket Exhibitions Limited and BBC Magazines Holdings Limited, are unsecured, interest free and not due for repayment before 1 January 2013

9 Creditors: Amounts falling due after more than one year

	2011 £ 000	2010 £ 000
Amounts owed to shareholders	<u>386</u>	<u>-</u>

The £386,000 loans from the shareholders are unsecured, interest free and not due for repayment before 1 January 2013

10 Authorised and issued share capital

	2011 and 2010 £
Authorised, called up, allotted and fully paid	
499 'A' Ordinary shares of £1 each	499
501 'B' Ordinary shares of £1 each	501
	<u>1,000</u>

The 'A' ordinary shares and 'B' ordinary shares confer equal rights on the holders

The joint controlling entities are BBC Magazine Holdings Limited and Haymarket Exhibitions Limited

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

11 Profit and Loss account

	2011 £ 000	2010 £ 000
At 1 January	189	237
Loss for the year	<u>(295)</u>	<u>(48)</u>
At 31 December	<u><u>(106)</u></u>	<u><u>189</u></u>

12 Reconciliation of movement in shareholders' deficit

	2011 £ 000	2010 £ 000
As at 1 January	190	238
Loss for the financial year	<u>(295)</u>	<u>(48)</u>
Shareholders' (deficit)/funds at 31 December	<u><u>(105)</u></u>	<u><u>190</u></u>

13 Reconciliation of operating loss to net cash (outflow)/inflow from operating activities

	2011 £000	2010 £000
Operating loss	(404)	(50)
Amortisation of exhibitons rights	5	5
Decrease in debtors	237	1,252
(Decrease)/increase in creditors	<u>(455)</u>	<u>50</u>
Net cash (outflow)/inflow from operating activities	<u><u>(617)</u></u>	<u><u>1,257</u></u>

14 Reconciliation of net cash flow to movement in net funds

	2011 £000	2010 £000
Balance at 1 January	1,995	815
Net cash (outflow)/inflow	<u>(796)</u>	<u>1,180</u>
Balance at 31 December	<u><u>1,199</u></u>	<u><u>1,995</u></u>

BBC Haymarket Exhibitions Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

15 Analysis of net cash

	2010 £000	Cash flow £000	2011 £000
Cash at bank and in hand	1,995	(796)	1,199

16 Related party transactions

	Note	2011 £ 000	2010 £ 000
Haymarket Exhibitions Limited			
Administrative Services		952	886
BBC Magazines Limited			
Administrative Services		215	204
Editorial and advertising services		111	110
Royalties		172	120

17 Ultimate parent company

The shareholders listed in note 8 immediately control the Company. The ultimate controlling parties are Haymarket Group Limited and British Broadcasting Corporation (BBC).