Company Registration number
2809261

Haymarket Group Limited

Annual Report and Financial Statements

for the period from 1 January 2012 to 30 June 2013

Haymarket Group Limited

Chairman's Statement

Haymarket Group Ltd has, in the latest financial reporting period, reinforced its position as a leading international media and information company, delivering specialist content via desktop and mobile platforms, magazines and live events to highly engaged audiences and effective marketing solutions to commercial clients

The Group has delivered a solid operating performance and creditable underlying profit in the 18 months to 30 June 2013, in spite of volatile advertising conditions and major changes in media consumption habits

In this reporting period, which reflects a change to our financial year end, Haymarket has also embarked on a fundamental reorganisation that has involved non-core disposals, office moves, a debt reduction programme and capital restructuring This has included a change to our shareholder structure, with the Heseltine family assuming 100 per cent ownership interests in the Group

Haymarket has entered the current financial year with a strengthened balance sheet, including net indebtedness reduced by one third and with encouraging signs of growth in digital revenues, live events and key markets, such as the UK and US With the support of the Board, the management team will continue to pursue growth and efficiencies across the business

I would like to thank the management and all employees for their contribution to Haymarket's continued success

Haymarket Group Limited

Report and financial statements for the period to 30 June 2013

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Haymarket Group Limited

Report and financial statements for the period to 30 June 2013

Officers and professional advisers

Directors
The Rt Hon the Lord Heseltine CH (Chairman)
K Costello
J D Duckworth
D B Fraser
B J Freeman *(appointed 24 April 2012)*
M Gibson
The Hon R W D Heseltine
Lord Levene of Portsoken KBE
S P Tindall

Company secretary
J D Duckworth

Registered office
Teddington Studios
Broom Road, Teddington
Middlesex TW11 9BE

Chartered Accountants and Statutory Auditor
Deloitte LLP
Chartered Accountants
London, United Kingdom

Bankers
The Royal Bank of Scotland plc

Solicitors
Lewis Silkin LLP
London

Haymarket Group Lımıted
Dırectors' report

The Company has changed ıts year-end to 30 June and the Dırectors present theır annual report and financıal statements for the eıghteen month perıod ended 30 June 2013

Busıness review and prıncıpal actıvıtıes

The prıncıpal actıvıtıes of the Group are the provısıon of edıtorıal content and related servıces through multıple platforms, ıncludıng magazınes, websıtes, tablets and smartphones servıng specıalıst audıences ın both the busıness to consumer and the busıness to busıness markets In addıtıon, the Group organıses a number of face-to-face actıvıtıes ıncludıng exhıbıtıons, events and conferences ın both markets

The Group operates predomınantly ın the UK and USA but also operates ın a number of other countrıes ıncludıng Germany, Hong Kong, Sıngapore, Chına and Indıa

The Group has contınued to ınvest ın ıts onlıne actıvıtıes ın order to exploıt the commercıal opportunıtıes as ıt looks to meet the demands of ıts specıalıst audıences of trade professıonals and consumer enthusıasts onlıne

Revıew of results, future developments and post balance sheet events

The results for the perıod are set out on page 11

Group turnover ın the 18 months to 30 June 2013 was £318 2 mıllıon (year to 31 December 2011 £218 6 mıllıon)

Adjusted EBITDA for the 18 month perıod was £30 8 mıllıon, compared to £33 0 mıllıon ın the prevıous 12 months Statutory group operatıng profit was £8 6m (year ended 31 December 2011 £18 7m)

The Group made no acquısıtıons of publıshıng rıghts and companıes durıng thıs or the prevıous perıod A number of smaller tıtles were sold ın the perıod

In response to contınued weak economıc actıvıty (ın the UK and USA ın partıcular) management undertook varıous actıons that resulted ın further headcount reductıons and other cost savıng measures In the perıod to 30 June 2013 restructurıng costs totalled £1 4m (year to 31 December 2011 £1 7m) and gıven theır materıalıty, these have agaın been treated as an exceptıonal restructurıng cost

The results ınclude asset ımpaırments of £7 5m (year to 31 December 2011 £2 1m) on acquıred publıshıng rıghts that reflect the contınued weakness and uncertaın outlook ın the Group's prınt portfolıo In accordance wıth current UK GAAP ıt should be noted that the balance sheet does not reflect the value of our overall brand portfolıo

Operatıng cash ınflow for the 18 months to 30 June 2013 was £26 1m (year ended 31 December 2011 £23 7m - see note 20) The Group's net bank borrowıngs ıncreased durıng the perıod by £2 6m to £127 3m

Dıvıdends of £2 0m (year ended 31 December 2011 £2 0m) were paıd durıng the perıod

Due to the contınued fragıle nature of the UK economy ın partıcular, tradıng ın 2012 and the first half of 2013 was below expectatıons However, the Dırectors are cautıously optımıstıc that, as both the UK and US economıes return to growth, there wıll be stabılıty to tradıng Thıs ıs reflected ın the current financıal year where tradıng ıs ahead of budget and there ıs undoubtedly more busıness and consumer confidence ın the markets that the Group serves

Haymarket Group Limited

Directors' Report (contınued)

Proforma Group financial positıon

In accordance wıth ıts restructurıng strategy, sınce 30 June 2013 the Group has made consıderable progress ın ıts debt reductıon plans wıth the followıng transactıons completed and raısıng £46 2m, thereby reducıng the Group's net ındebtedness by one thırd

1 Dısposal of Complıance Week on 15 August 2013 The Group receıved £7 2m (US$11 5m) ın net proceeds from the dısposal of Complıance Week to Wılmıngton Group Plc There ıs potentıal deferred consıderatıon of up to US$3m based on tradıng results for the 12 months endıng 30 June 2015, payable ın October 2015 Thıs has not been ıncluded ın the table below

2 Sale of Hammersmıth office propertıes on 29 November 2013 and 13 December 2013, realısıng net proceeds of £27m In addıtıon, contracts have been exchanged for the dısposal of 3 houses adjacent to the office propertıes wıth Bellway Group PLC wıth completıon due on 23 June 2014, realısıng net proceeds of £2 7m These future proceeds have not been ıncluded ın the table below

3 The repayment of all of the outstandıng amounts due of £16m, ıncludıng accrued ınterest, to Sımon Tındall and famıly members, for a sıngle cash consıderatıon of £10m on 20 December 2013

4 The £10m cash consıderatıon referred to ın note 3 above has been funded by an ıssue of £6m of new preference shares to Lord Heseltıne and £4m prımarıly from the dısposal proceeds of the Hammersmıth propertıes

Haymarket Group Limited
Directors' Report (continued)

Proforma Group financial position (continued)

In order to show the effect of these transactions on the Group's balance sheet, we include the following table to show on an unaudited proforma basis, the effect of these transactions on the balance sheet at 30 June 2013 as though they had occurred on that date

Balance sheet at 30 June 2013		Audited	Adjustments	Unaudited Pro-forma
	Note	£000s	£000s	£000s
Fixed assets				
Goodwill & investments	1	30,838	(7,600)	23,238
Tangible assets	2	69,565	(28,300)	41,265
Current assets				
Stocks		1,041		1,041
Debtors		55,521		55,521
Cash		9,226		9,226
Current Liabilities				
Trade & Other		(59,594)		(59,594)
Borrowings	3	(36,537)	30,189	(6,348)
Non-current liabilities				
Share buyback creditor	3	(15,984)	15,984	-
Borrowings		(100,000)		(100,000)
Accruals and Deferred Income		(1,593)		(1,593)
Net assets	4	**(47,517)**	**10,273**	**(37,244)**

Net bank debt		**(127,311)**	**30,189**	**(97,122)**
Share buyback creditor		**(15,984)**	**15,984**	**-**
Net indebtedness (including share buybacks)		**(143,295)**	**46,173**	**(97,122)**

Notes to proforma

1 Reduction in net book value of goodwill because of the disposal of Compliance Week (£7 6m)

2 Reduction in net book value of property because of the disposal of Hammersmith properties (£28 3m)

3 Repayment of bank debt (£30 2m) and settlement of share buyback creditor (£16 0m)

4 The net asset adjustments reflect thenet loss on disposal of Compliance Week (£0 4M), costs and estimated tax on disposal of the Hammersmith properties (£1 3M), settlement of share buyback indebtedness (£6 0M) and issue of new share capital (£6 0M)

Key risks and uncertainties

a) General economic conditions

The Group's largest operations are situated in the UK and the USA, where the economic recovery has shown improvement since the turn of the year However, the Group's long-established strategy of holding both business-to-business and business-to-consumer products and services in its portfolio, together with the specialist subject matter of those products and services, means that the directors have confidence that the Group's balanced portfolio will allow the Group to benefit once the economic recovery in the UK and US becomes more established In addition, the Group provides a mix of print, data, digital and face-to-face products and services that best suit both the audience's and clients' needs within each market The significant cost reductions achieved over the course of the last 2-3 years has meant that the Group is better prepared for a lower revenue environment

b) Digital

Digital opportunities and competition feature in many of the Group's markets The Group endeavours to invest wisely to take advantage of opportunities and address competitive action

c) Employees

The Group's performance is dependent on its employees and failure to recruit and appropriately develop staff would have an impact on performance The risk is addressed by investment in the recruitment process, staff training and ensuring that the Group's compensation and benefits are competitive

d) Financial risks

The financial risks that the Directors consider most applicable to the Group and Company are credit risk, liquidity risk, interest rate risk and, to a lesser extent, currency risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments The Group's credit risk is primarily attributable to its trade receivables

The Group actively monitors amounts owed by its customers by way of comprehensive and detailed information that is supplied regularly to management The Group has no concentration of credit risk, with its exposure being spread over a large number of clients

The 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 15, the Group renegotiated its banking facilities during the period and will do so again prior to 30 June 2015

Action has been taken to mitigate any adverse effect of interest rates on the Group's profitability, as detailed in note 15 to the accounts

A proportion of currency risk is hedged with instruments to protect against adverse foreign exchange movements

The Directors of the Company do not have any interests in the shares of subsidiary undertakings except by virtue of their interests in the shares of the Company

Dırectors' Report (continued)

Board
The members of the Board are set out on page 1 Brıan Freeman was appoınted to the Board on 24 Aprıl 2012

Employees
Detaıls of the number of employees and related costs can be found ın note 3 to the financıal statements

The Group provıdes employees wıth ınformatıon on matters relevant to them as employees throughout the year as part of ıts corporate communıcatıons

The Group ıs an equal opportunıtıes employer and appoınts employees wıthout reference to age, sex, ethnıc group or relıgıous belıefs It ıs the Group's polıcy to gıve full consıderatıon to suıtable applıcatıons for employment by dısabled persons Where exıstıng employees become dısabled, ıt ıs the Group's polıcy wherever practıcable, to provıde contınuıng employment under normal terms and condıtıons and to provıde traınıng for posıtıons ın the Group where approprıate

The Group has made qualıfyıng thırd party ındemnıty provısıons for the benefit of ıts dırectors whıch were made durıng the perıod and remaın ın force at the date of thıs report

Envıronmental matters
Haymarket was the first major publıshıng company to be certıfied to the ISO14001 envıronmental standard and the Group contınues to be assessed by the Brıtısh Standards Instıtute

The Group's preference for hıgh envıronmental standards also extends to external partıes It ıs proactıve about encouragıng ıts supplıers to take theır envıronmental responsıbılıtıes serıously and all of the group's major productıon supplıers are currently ISO14001 certıfied It works wıth those supplıers to ıncrease the use of water-based varnıshes, to reduce paper waste and to target energy reductıons

In addıtıon most of Haymarket's polythene postal wrappers are oxybıodegradable or recyclable and all of Haymarket's tıtles are now prınted on paper certıfied to FSC or PEFC standards

The Group also encourages alternatıve travel modes such as car-sharıng, cyclıng and motorbıkes The Group operates the Rıde To Work scheme whıch enables staff to purchase dıscounted bıcycles for commutıng Improved vıdeo and telephone conferencıng have also reduced the need for travel to meetıngs The Group contınues to work wıth Transport for London's A New Way to Work scheme ın order to further develop the Company's sıte travel plans and promote alternatıve means of transport

As a result of the ınıtıatıves that were put ın place, the Group was named "Best Envıronmentally Sustaınable Busıness" at the Professıonal Publıshers Assocıatıon Productıon and Envıronment Awards ın Aprıl 2012

Share Capıtal
Detaıls of changes ın the Company's share capıtal are set out ın note 16

Donatıons
Durıng the perıod the group made charıtable donatıons of £18,904 (year to 31 December 2011 £34,761) It made no polıtıcal donatıons (year to 31 December 2011 £Nıl)

Going concern basis adopted in preparing financial statements

A review of the Group's results for the period, and key risks for the coming year are set out above Details of the Group's banking facilities are set out in note 15

As described in note 1, the Group has agreed new facilities with its bankers which expire on 30 June 2015 and will therefore require review and extension within eighteen months of the date of approval of these financial statements The directors deliberately entered into short-term arrangements with its bankers in view of the inevitable uncertainty on several planning applications across the Group's freehold office property portfolio The new facilities assume certain levels of trading and they also assume a significant debt reduction plan The two Hammersmith applications have now been determined and the first phase of the Group's debt reduction plan of £46 2m implemented as set out in the Proforma Group Financial position above, reducing the Group's net indebtedness by one third

After reviewing the Group's current financial projections and available facilities the directors consider that the Group has access to sufficient financial resources to continue in operational existence for the foreseeable future The directors believe that, although inherently there is uncertainty in relation to this matter, when it is required to renew its banking facilities with its bankers, a satisfactory outcome will result from negotiations to reshape and extend its facilities and therefore the directors continue to adopt the going concern basis in preparing the financial statements

Disclosure of information to the auditor

Each of the persons who is 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 on 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 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 auditor in the absence of an Annual General Meeting

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

J D Duckworth
Company Secretary
Teddington Studios, Broom Road
Teddington TW11 9BE

19 March 2014

Haymarket 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 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, 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 Haymarket Group Limited

We have audited the financial statements of Haymarket Group Limited for the period ended 30 June 2013 which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement, the Consolidated Statement of Total Recognised Gains and Losses and the related notes 1 to 25 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 part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and 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 an 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 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 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 an audit 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 these financial statements

- give a true and fair view of the state of the Group and of the parent company's affairs as at 30 June 2013 and of the group's loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirement of Companies Act 2006

Independent Auditor's report to the members of Haymarket Group Limited

Opinion on other matters prescribed by Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Emphasis of matter - material uncertainty in relation to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Group's ability to continue as a going concern As described in that note, on 28 June 2013 the Company agreed new facilities with its bankers which expire on 30 June 2015 and which will require renewal by that date The directors have prepared the financial statements on a going concern basis since they believe that a satisfactory outcome will result from negotiations with the Group's bankers to reshape and extend the facilities, but inherently there remains a material uncertainty in relation to this matter The financial statements do not include the adjustments that would result if the Group and the Company were unable to continue as a going concern

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

William Touche (Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Registered Statutory Auditors
London, United Kingdom, United Kingdom
19 March 2014

Haymarket Group Limited
Consolidated profit and loss account
for the period from 1 January 2012 to 30 June 2013

	Notes	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Turnover			
Group and share of joint ventures and associates		326,102	223,824
Less share of joint ventures and associates		(7,875)	(5,229)
Group turnover	2	318,227	218,595
Cost of sales		(273,109)	(178 099)
Gross profit		45,118	40,496
Revaluation of freehold properties		3,709	(64)
Other operating expenses (net)	4	(39,865)	(21,950)
Net operating expenses		(36,156)	(22,014)
Operating profit before depreciation, amortisation of publishing and exhibition rights and exceptional items ("adjusted EBITDA")		30,784	33,010
Depreciation	10	(8,437)	(5,275)
Amortisation and impairment of publishing and exhibition rights	9	(15,724)	(7,449)
Revaluation of freehold properties		3,709	(64)
Exceptional restructuring costs	4	(1,370)	(1,740)
Operating profit	4	8,962	18,482
Share of operating profit of joint ventures and associates	11	(376)	211
Group operating profit		8,586	18,693
Profit on disposal of tangible fixed assets		358	13
(Loss) / profit on disposal of intangible fixed assets		(323)	320
Other interest receivable and similar income	5	835	454
Interest payable and similar charges	6	(17,068)	(12,287)
(Loss) / profit on ordinary activities before taxation		(7,612)	7,193
Tax credit/(charge) on (loss)/profit on ordinary activities	7	3,068	(3,144)
(Loss) / profit on ordinary activities after taxation		(4,544)	4,049
Equity minority interests		(41)	(102)
(Loss) / profit for the financial period		(4,585)	3,947

All activities derive from continuing operations

Haymarket Group Limited
Consolidated statement of total recognised gains and losses
for the period from 1 January 2012 to 30 June 2013

	Notes	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
(Loss)/profit for the period attributable to the members of Haymarket Group Limited		(4,585)	3,947
Currency translation differences on foreign currency net investments	17	248	(129)
Deferred tax relating to foreign currency translation	17	186	-
Unrealised revaluation surplus of freehold properties	17	14,005	138
Total recognised gains and losses relating to the period		9,854	3,956

Haymarket Group Limited
Consolidated balance sheet
as at 30 June 2013

	Notes		30 June 2013		31 December 2011
		£000	£000	£000	£000
Fixed assets					
Intangible assets	9		30,373		46 949
Tangible assets	10		69,565		54,290
Investments in joint ventures and associates					
- Gross assets		2,790		2,580	
- Gross liabilities		(2,325)		(1,387)	
	11		465		1,193
			100,403		102,432
Current assets					
Stocks	12		1,041		1 971
Debtors falling due within one year	13 (a)		50 149		48 771
Debtors falling due after more than one year	13 (b)		5,372		3,700
Cash at bank and in hand			9,226		9,797
			65,788		64,239
Creditors amounts falling due within one year	14		(96,074)		(86 862)
Net current liabilities			(30,286)		(22,623)
Total assets less current liabilities			70,117		79 809
Creditors amounts falling due after more than one year	15		(117 577)		(135 086)
Equity minority interests	19		(57)		(94)
Net liabilities			(47,517)		(55,371)
Capital and reserves					
Called-up share capital	16		278		280
Capital redemption reserve	17		234		232
Merger reserve	17		6,236		6,236
Revaluation reserve	17		16,727		2,722
Profit and loss account	17		(55,007)		(46,846)
Share redemption reserve	17		(15,985)		(17,995)
Shareholders' deficit			(47,517)		(55 371)

The financial statements of Haymarket Group Limited (Company registration number 2809261), have been approved and a for issue by the Board of Directors on 19 March 2014, and were signed on behalf of the Board by,

The Rt Hon The Lord Heseltine CH
Chairman

Haymarket Group Limited
Company balance sheet
as at 30 June 2013

	Notes		30 June 2013		31 December 2011
			£000		£000
Fixed assets					
Investments	11		98,028		106,028
Current assets					
Debtors falling due after one year	13	-		37	
		-		37	
Creditors. amounts falling due within one year	14	-		(4,000)	
Net current assets			-		(3,963)
Total assets less current liabilities			98,028		102,065
Creditors amounts falling due after more than one year	15		(42,822)		(34,736)
Net assets			55,206		67,329
Capital and reserves					
Called-up share capital	16		278		280
Capital redemption reserve	17		234		232
Merger reserve	19				
Profit and loss account	17		70,679		84,812
Share redemption reserve	17		(15,985)		(17,995)
Shareholders' funds	18		55,206		67,329

The financial statements of Haymarket Group Limited (Company registration number 2809261), have been authorised and approved for issue by the Board of Directors on 19 March 2014, and were signed on behalf of the Board by,

The Rt Hon The Lord Heseltine CH
Chairman

Haymarket Group Limited
Consolidated cash flow statement
for the period from 1 January 2012 to 30 June 2013

	Notes	1 January 2012 to 30 June 2013 £000	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000	Year ended 31 December 2011 £000
Net cash inflow from operating activities	20		26,062		23,734
Dividends received from joint ventures and associated undertakings			505		487
Returns on investments and servicing of finance					
Interest received		76		64	
Interest paid		(15,771)		(11,100)	
Net cash outflow from returns on investments and servicing of finance			(15,695)		(11,036)
Taxation					
UK and overseas corporation tax paid		(3,686)		(2,707)	
Total tax paid			(3,686)		(2,707)
Capital expenditure and financial investment					
Purchase of tangible fixed assets	10	(6,245)		(4,912)	
Purchase of intangible fixed assets		(60)			
Payment of deferred consideration		-		(2,452)	
Proceeds from sale of tangible fixed assets		218		50	
Proceeds from sale of intangible fixed assets		777		340	
Purchase of investments		-		-	
Net cash outflow from capital expenditure and financial investment			(5,310)		(6,974)
Acquisitions and disposals					
Equity dividends paid			(2,000)		(2,000)
Net cash (outflow)/inflow before financing			(124)		1,504
Financing					
Payment for redemption of shares		(1,990)		(2 262)	
Refinancing fees		(548)		(156)	
Bank loans drawdown		14,308		2,500	
Bank loans repaid	23	(5,750)		(5,000)	
Net cash inflow/(outflow) from financing			6 020		(4,918)
Increase / (decrease) in cash	22		5,896		(3,414)

Haymarket Group Limited
Notes to the financial statements
for the period from 1 January 2012 to 30 June 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under historical cost convention as amended for the revaluation of freehold land and buildings 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

The balance sheet as at 30 June 2013 has been prepared using Companies Act format 1 and comparatives have been restated for this format

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings for the eighteen month period ended 30 June 2013

The Group's share in associates is accounted for using the equity method of accounting The consolidated profit and loss account includes the Group's share of the pre-tax profits or losses and attributable taxation

Going Concern

On 28 June 2013 the Company agreed new facilities with its bankers which expire on 30 June 2015 and which will therefore require renewal and extension within eighteen months of the date of approval of these financial statements It should be noted that the Group's net indebtedness has fallen by £46 2m since 30 June 2013 as a consequence of the disposal programme It should also be noted that in early March 2014 a planning application was submitted for the conversion of our Teddington Riverside site to residential use The Group's bankers have structured the new facilities around the directors' plans to reduce debt and the directors currently believe that the Group has access to sufficient liquidity to enable the Company and the Group to continue to trade and pursue the plans agreed In due course the directors will enter into negotiations with the Group's bankers to renegotiate and extend the Group's facilities before their expiry

On this basis, and having given due consideration to the Company's and the Group's forecasts and projections, the directors believe that the Company and the Group will have adequate resources and consider it appropriate to adopt the going concern basis in preparing these financial statements However, should the financial support of the Group's bankers be discontinued, the Directors have concluded that, in accordance with Accounting Standards and the UK's Financial Reporting Council's Guidance for Directors on Going Concern, there may be a material uncertainty over the going concern basis and the Company and the Group may be unable to realise their assets and discharge their liabilities in the normal course of business, and adjustments would have to be made to reduce the value of assets to their recoverable amount and to provide for further liabilities that may arise and to reclassify fixed assets as current assets

Intangible assets

Publishing and 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 normally estimated to be between 5 and 20 years Acquired non-compete agreements are amortised over the effective period of that agreement

Tangible assets

Tangible fixed assets are stated at cost or valuation net of depreciation and any provision for impairment

Short leasehold properties are amortised over the period of the lease No depreciation is usually charged on freehold land When it has proved impossible to obtain a split between land and buildings for a property then the full cost has been depreciated Other assets are depreciated by equal annual instalments over the anticipated lives of the assets as follows

Freehold properties	50 years
Vehicles, furniture and equipment	4 - 5 years
IT infrastructure and equipment	3-5 years
Website development	1-3 years

Office freehold properties are revalued annually, Surpluses or deficits on individual properties are transferred to the revaluation reserve, except that a deficit which is expected to be permanent or which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account Agricultural and residential properties are shown at cost less accumulated depreciation

Eligible website development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised If there is insufficient evidence on which to base reasonable estimates of the economic benefits website development costs are charged to the profit and loss account as incurred

1 Accounting policies (continued)

Investments

Investments are stated at cost less any provision for impairment

Stocks

Stocks are valued at the lower of cost and net realisable value Stocks of magazine back issues are not valued Agricultural stock is included at independent professional valuation

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 face-to-face activities such as exhibitions, conferences and other events is recognised on the date of the event Revenue from website advertising is recognised over the period of the advertising contract

Cost of Sales

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

Costs arising from magazine publishing, other than staff costs, are recognised on the date of publication All costs relating to exhibitions, conferences and other events are recognised on the date of the event Costs relating to website activities are recognised in the period in which they are incurred

Finance Costs

Finance costs are accrued on a time basis, by reference to the direct issue costs and principal amounts outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the direct costs and estimated future cash payments through the expected life of the financial liability to that asset's net carrying amount

Investment income

Dividend income from investments is recognised when the shareholders rights to receive payment have been established

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 Group's taxable profits and its results as stated on 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 Deferred tax is not provided on timing differences arising from the revaluation of fixed assets unless there is a binding agreement to sell the revalued assets and the gain or loss on sale has been recognised in the financial statements, and also where assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged only to tax if and when the replacement asset is sold Deferred tax is recognised in respect of earning of overseas subsidiaries and associate undertakings, only to the extent that, dividends have been accrued and a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate 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

Financial instruments

The Group uses financial instruments to reduce exposure to foreign exchange risk and interest rate movements The Group does not hold or issue derivative financial instruments for speculative purposes

Gains and losses arising from forward foreign exchange hedging contracts are deferred and recognised in the profit and loss account upon settlement

The differential on amounts due to and from the Group on interest rate swaps is accrued until settlement date and recognised as an adjustment to the interest expense

Gains and losses on financial instruments for hedging purposes with maturities beyond the materiality of the underlying hedged exposure are not marked to market, provided the underlying exposure is expected to be renewed

1 Accounting policies (continued)

Foreign currencies

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date Exchange differences are dealt with in the profit and loss account The financial statements of foreign subsidiary undertakings are translated into sterling at the rates of exchange prevailing at the balance sheet date and the differences arising from the translation of the opening net investment in subsidiary undertakings at the closing rates are taken directly to reserves

Where foreign currency loans finance an overseas net investment the associated exchange movement is taken to reserves to match the movement on the net investment

Pension costs

The Group operates defined contribution pension schemes Pension costs are charged to the profit and loss account in the period in which they become payable

Operating leases

Rentals are charged to the profit and loss account in equal annual amounts over the lease term

Restatements

The prior period income statement has been restated to show the profits and losses on the sale of tangible and intangible assets separately The prior period cashflow statement has been restated to show the refinancing costs within financing rather than returns on investment and servicing of finance

2 Analysis of turnover, operating profit/(loss) and net assets

Geographical analysis by location is as follows

	Turnover		Profit / (loss) before taxation	
	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
United Kingdom	203,864	139,207	(9 672)	313
USA	66,351	44,725	4,976	5,673
Other countries	48,012	34,663	(2,916)	1,207
	318,227	218,595	(7,612)	7,193

	Net liabilities / assets	
	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
United Kingdom	(83,968)	(97,034)
USA	26,704	23,670
Other countries	9,747	17,993
	(47,517)	(55,371)

3 Information regarding directors and employees

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Staff costs during the period/year (including directors)		
Wages and salaries	118,703	75,865
Social security costs	9,574	6,178
Pension costs	3,890	1,813
	132,167	83,856

3 Information regarding directors and employees (continued)

	1 January 2012 to 30 June 2013 No	Year ended 31 December 2011 No
Average number of persons employed by the Group (including Directors)	1,857	1,876

The company itself had no employees in the period ended 30 June 2013 or the year ended 31 December 2011

The principal pension 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 There were no unpaid contributions as at 30 June 2013

Directors' emoluments	1 January 2012 to 30 June 2013	Year ended 31 December 2011
Emoluments	3,982	3,196
Remuneration of highest paid director	1,038	1,100

There are defined contribution pension plans for the benefit of four Directors (Year ended 31 December 2011 three) The contributions in total for the period were £231,142 (Year ended 31 December 2011 £94,985) Included in the remuneration of the highest paid Director are pension contributions of £71,408 (Year ended 31 December 2011 £nil)

4 Operating profit

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
This is stated after charging/ (crediting)		
Administrative expenses		
Amortisation and impairment of publishing and exhibition rights (note 9)	15 724	7,449
Other administrative expenses	24,141	14,565
Total Administrative expenses	39,865	22,014
Depreciation of owned fixed assets (see note 10)	8,437	5,275
Operating lease rentals - land and buildings	3,483	2,054
Operating lease rentals - plant and machinery	-	-
Fees payable to the company's auditor for the audit of the Group's annual accounts		
- Group	300	271
- Company	8	8
Fees payable to the company's auditor for other services to the group		
- Tax services	345	594
- Corporate Finance services	272	-
Exceptional restructuring costs	1,370	1,740

The exceptional restructuring costs in both periods arose as a result of separate reviews of underperforming activities and include reductions in staffing levels

As a result of these exceptional items the Group's current taxation charge for the period has been reduced by £235,000 (year to 31 December 2011 £371,000) and the deferred tax credit has increased by £nil (year to 31 December 2011 £nil)

5 Other interest receivable and similar income

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Bank interest receivable and similar income	76	43
Foreign exchange differences on intra-group loans and currency bank accounts	759	411
	835	454

6 Interest payable and similar charges

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Bank loan and overdraft interest	14,389	10,071
Other interest payable	1,930	1,185
Foreign exchange differences on intra-group loans	749	1,031
	17,068	12,287

7 Tax

(a) Tax on profit on ordinary activities

The tax is made up as follows	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Current tax		
UK corporation tax @ 24 2% (2011 26 5%)	542	1,632
Adjustments in respect of UK previous periods	(1,908)	314
Overseas taxation	662	1,320
Adjustments in respect of overseas previous periods	(878)	50
Group share of tax on profits of Joint Ventures	-	-
Total current tax	(1,582)	3,316
Deferred tax		
Effect of reduction in statutory tax rate on opening asset	123	66
Deferred tax (credit)/charge	(1,226)	929
Adjustments in respect of previous periods	(383)	(1,167)
Total deferred tax credit	(1,486)	(172)
Tax on profit on ordinary activities	(3,068)	3,144

7 **Tax (continued)**

The standard rate of current tax for the period, based on the UK standard rate of corporation tax is 24 2% (year to 31 December 2011 26 5%) The current tax charge for the period is greater than this rate for the reasons set out in the following reconciliation

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
(Loss) / profit on ordinary activities before tax	(7,612)	7,193
Tax at 24 2% (2011 26 5%) thereon	(1,842)	1,905
Factors affecting charge for the current year		
- Expenses not deductible for tax purposes	974	533
- Accelerated capital allowances /other timing differences	611	(540)
- Non-deductible depreciation/amortisation on assets not qualifying for capital allowances	2,132	1,710
- Non-taxable income	(361)	(11)
- Unutilised tax losses	766	51
- US state and city taxes	199	865
- Effect of overseas tax rates	(238)	(59)
- Adjustment in respect of prior years	(2,786)	364
Overseas losses b/fwd	(1,037)	(1,502)
Current tax (credit)/charge for the period	(1,582)	3,316

The Group has concluded some enquiries with the tax authorities in the period Their tax affairs are up to date and they have therefore released historic tax provisions resulting in a prior year adjustment

(b) Deferred tax

There is a Group net deferred tax asset recognised of £5,371,000 (31 December 2011 £3,699,000) and a Company asset of £nil (31 December 2011 £37,000) These assets relate to the following amounts

	Group		Company	
	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Capital losses	1,288	-	-	-
Accelerated capital allowances	1,234	894	-	-
Other timing differences	1,747	1,630	-	37
US tax losses and deferred interest deductions	1,102	1,175	-	-
	5,371	3 699	-	37

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

	Group £000	Company £000
Balance at 1 January 2012	3,699	37
Deferred tax charge - included in profit & loss account	1,486	(37)
- included in STRGL	186	-
Balance at 30 June 2013	5,371	-

The above net deferred tax asset has been recognised as it is considered to be more likely than not that the Group will generate sufficient future taxable profits in the jurisdictions against which these items can be recovered

7 Tax (continued)

Deferred tax assets or liabilities have been recognised at 23% in these financial statements, being the tax rate that was enacted at the balance sheet date and was in effect from 1 April 2013

The UK Government has announced a further reduction of 2% to the UK corporation tax rate, meaning the rate will be 21% effective from 1 April 2014 and a further reduction of 1% to 20% from 1 April 2015 These further reductions to the tax rates had not been substantively enacted at the balance sheet date and are therefore not reflected in these financial statements

There is also an unrecognised net deferred tax asset in the Group of £778,000 (31 December 2011 £2,577,000) comprising the following

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Unutilised overseas tax losses	190	608
Unutilised UK tax losses	780	737
Gain deferred by rollover relief	(444)	(482)
Capital losses	238	1,714
Accelerated capital allowances	14	-
	778	2,577

Deferred tax has not been provided for potential gains on the disposal of revalued properties or gains rolled over into replacement assets as there are no binding sale agreements in place at the balance sheet date and gains or losses have not yet been realised in respect of these assets

Deferred tax has not been provided for part of the Group's unutilised losses, as there is insufficient evidence that these losses will be offset against future taxable profits

8 Loss attributable to members of the company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the Company is not presented as part of these financial statements

The company's loss for the eighteen month period to 30 June 2013 was £10,123,000 (year ended 31 December 2011 loss £2,673,000)

9 Intangible assets

Group	Publishing and exhibition rights
	£000
Cost	
At 1 January 2012	118,669
Additions	60
Disposals	(1,627)
Foreign exchange translation differences	441
At 30 June 2013	117,543
Accumulated amortisation	
At 1 January 2012	71,720
Provided during the period	8,191
Disposals	(527)
Impairment losses	7,533
Foreign exchange translation differences	253
At 30 June 2013	87,170
Net book value	
At 30 June 2013	30,373
At 31 December 2011	46,949

In accordance with Group policy, management conducted an impairment review of its intangible assets using a 5-year discounted cashflow analysis with a terminal value, assuming a weighted average cost of capital of 10 12% and a growth rate of 3% The review indicated a net impairment loss of £7,533,000

The Company has no intangible fixed assets

10 Tangible fixed assets

Group	Freehold properties	Short leasehold properties	Website development costs	Vehicles, furniture and equipment	Total
	£000	£000		£000	£000
Cost					
At 1 January 2012	51,271	770	6 074	30,852	88,967
Foreign exchange translation differences	-	(61)	-	(75)	(136)
Additions	323	208	2,073	3,641	6,245
Revaluations	17,714	-	-	-	17,714
Disposals	(26)		(3,142)	(8,940)	(12,108)
At 30 June 2013	69,282	917	5,005	25,478	100,682
Accumulated depreciation					
At 1 January 2012	5,822	668	3,544	24,643	34,677
Foreign exchange translation differences	-	(46)	-	(88)	(134)
Provided during the period	1,921	109	2,427	3,980	8,437
Disposals	-		(3,142)	(8,721)	(11,863)
At 30 June 2013	7,743	731	2,829	19,814	31,117
Net book value					
At 30 June 2013	61,539	186	2,176	5,664	69,565
At 31 December 2011	45,449	102	2,530	6,209	54,290

The Company has no tangible fixed assets

10 Tangible fixed assets (continued)

Freehold properties at 30 June 2013 comprise freehold office properties at open market value as determined by Colliers CRE external professional valuers of £50 800 000 (31 December 2011 £34,350,000) and residential and agricultural freehold properties at depreciated cost of £10,739,000 (31 December 2011 £11 099,000) The revaluations of the Group's Hammersmith office properties reflect the consideration received on their disposal in November and December 2013, the Group's valuers having confirmed that the gross consideration reflects the market value as at 30 June 2013

The net book value of freehold properties comprises land of £3,239,000 (2011 £3,239,000) and properties for which no split can be obtained of £58,300,000 (2011 £42,210,000)

Since the period-end the Hammersmith office properties have been sold for total gross proceeds of £28 3m (book value at 30 June 2013 £28 3m) In addition, a contract for the sale of three houses for £2 7m has been exchanged, with completion on 23 June 2014

	Freehold office properties £000
The comparable amounts for properties at valuation determined according to the historical cost convention	
Cost	42,908
Accumulated depreciation	(10,093)
Net book value at 30 June 2013	32,815
Net book value at 31 December 2011	33,404

11 Investments held as fixed assets

a) Shares in subsidiary undertakings

	Company	
	30 June 2013 £000	31 December 2011 £000
At start of period	106,028	107,072
Provision for impairment	(8,000)	(1,044)
At end of period	98,028	106,028

In accordance with Group policy, management conducted an impairment review of the Company's investments using a 5-year discounted cashflow analysis with a terminal value, assuming a weighted average cost of capital of 10 12% and a growth rate of 3% The review indicated a net impairment loss of £8,000,000

The principal subsidiary undertakings, all of which (unless noted otherwise below) are registered in England and Wales and operate principally in Great Britain, are as follows

Subsidiary undertaking	Country where incorporated and operating	Percentage of equity held	Principal activity
Haymarket Media Group Limited [1]	Great Britain	100%	Magazine and online publishing
Haymarket Exhibitions Limited[2]	Great Britain	100%	Organisation of exhibitions
Haymarket Publishing Services Limited[2]	Great Britain	100%	Magazine publishing
Thenhurst Agricultural Ltd [1]	Great Britain	100%	Agriculture and horticulture
Haymarket Network Limited[2]	Great Britain	100%	}
Haymarket India Pvt Ltd	India	100%	}
Haymarket SAC Pvt Ltd	India	75%	}
Haymarket Media Inc [3]	USA	100%	}
Haymarket Media Ltd [4]	Hong Kong	100%	} Magazine and online } publishing
Haymarket Media GmbH[5]	Germany	100%	}
Haymarket Media Pty Ltd [5]	Australia	100%	}

11 Investments held as fixed assets (continued)

[1] Shares held by Haymarket Finance Limited
[2] Shares held by Haymarket Media Group Limited
[3] Shares held by Haymarket Medical Publications Limited
[4] Shares held by Haymarket Media Asia Limited
[5] Shares held by Haymarket Worldwide Limited

b) Joint venture and associated undertakings

Group

	£000
Share of net assets	
At 1 January 2012	1,193
Provision for impairment	(599)
Dividend received	(505)
Share of retained profit	376
At 30 June 2013	465

Details of investments representing more than 10% of the company's issued share capital

Associates

	Country where incorporated, registered and operating	Percentage of equity held	Principal activity
Wanderlust Publications Limited	Great Britain	25%	Magazine publishing
Frontline Limited	Great Britain	Ordinary 'A' shares 5% Ordinary 'C' shares 100% Ordinary 'E' shares 25% Ordinary 'F' shares 17%	Distribution of magazines

The Group's interests in associates are held by a subsidiary undertaking The group's shareholding in Wanderlust Publications Ltd was sold in July 2013

Joint ventures

BBC Haymarket Exhibitions Limited	England and Wales	49%	Organisation of exhibitions

The group's interest in BBC Haymarket Exhibitions Limited was held by a subsidiary undertaking and was sold in August 2013

c) Transactions with associated undertakings and joint ventures

Frontline Limited is the Group's agent in relation to the sale of publications to third parties Distribution services totalling £3,012,000 (year to 31 December 2011 £2,224,000) were provided to the Group by Frontline Limited during the eighteen months to 30 June 2013

During the period the group provided the following services to BBC Haymarket Exhibitions Limited

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Administrative services	1,023	952

Amounts owed from and to associated undertakings are shown in notes 13 and 15 to the accounts

12 Stocks

Group	30 June 2013 £000	31 December 2011 £000
Raw materials and consumables	1,041	1,971

Raw materials and consumables include £208,000 (31 December 2011 £297,000) of agricultural stocks which are included at independent professional valuation

The balance represents stocks of paper for which in the Directors' opinion the replacement cost does not differ significantly from the value included in the financial statements

13 Debtors

	Group	
	30 June 2013 £000	31 December 2011 £000
(a) Amounts due within one year		
Trade debtors	32,863	30,107
Amounts owed by joint ventures and associated undertakings	1,829	2,352
Other debtors	1 820	3,696
Prepayments and accrued income	11 758	12,616
Corporation Tax	1,879	-
	50,149	48,771

Prepayments and accrued income include £1,046,000 (31 December 2011 £1,272,000) owed by Frontline Limited

	Group		Company	
	30 June 2013 £000	31 December 2011 £000	30 June 2013 £000	31 December 2011 £000
(b) Amounts due after more than one year				
Other debtors	1	1	-	-
Deferred tax (note 7b)	5,371	3 699	-	37
	5,372	3,700	-	37

14 Creditors amounts falling due within one year

	Group		Company	
	30 June 2013 £000	31 December 2011 £000	30 June 2013 £000	31 December 2011 £000
Bank overdraft	4,537	11,002	-	-
Bank loans	32,000	5,750	-	-
Bank loans and overdrafts	36,537	16,752	-	-
Trade creditors	5,779	7,323	-	-
Accruals and deferred income	46,838	50,283	-	-
Other creditors including taxation and social security	6,920	12,504	-	4,000
	96,074	86,862	-	4,000
Other creditors including taxation and social security				
UK corporation tax	-	3,551	-	-
Other taxation and social security	4,894	3,129	-	-
Amounts owed on share redemptions	-	4,000	-	4,000
Other creditors	2,026	1,824	-	-
	6,920	12,504	-	4,000

Accruals and deferred income includes deferred income of £22,688,000 (31 December 2011 £24,940,000), all of which is due within one year

During the year the Group entered into the following transactions with its directors

Personal costs paid for by the Group and fully reimbursed	Lord Heseltine £	S P Tindall £
1 January 2012 to 30 June 2013	357,000	72,000
Year to 31 December 2011	302,000	87,000

Details of agreements for share purchases from directors by the company are disclosed in note 16

15 Creditors amounts falling due after one year

	Group		Company	
	30 June 2013 £000	31 December 2011 £000	30 June 2013 £000	31 December 2011 £000
Bank loans				
due between one and two years	100,000	6 000	-	-
due between two and five years	-	111,758	-	-
Total bank loans	100,000	117,758	-	-
Amounts owed on share redemptions	15,984	13,994	15,984	13,994
Amounts owed to associated undertakings	-	2,092	-	-
Amounts owed to subsidiary undertakings	-	-	26,838	20,742
Accruals and deferred income	1,593	1,242	-	-
	117,577	135,086	42,822	34,736

15 Creditors amounts falling due after one year (continued)

The bank loans and overdrafts are secured by a floating charge over the assets of the Group

During the period the Group agreed new bank facilities As at 30 June 2013 these totalled £137,000,000, made up of loans and a revolving credit facility with an expiry date of 30 June 2015 Repayments of £58,000,000 are due on or before 31 March 2015 As noted in the Directors Report on page 3 since 30 June 2013 the Group's net indebtedness has decreased by £46,200,000 or by one third The facilities include a Revolving Facility of £5,000,000 for general working capital purposes The loans bear interest at LIBOR, with margins of between 2 75% and 4 5%

The Group's loan facilities as at 31 December 2011 totalled £129,700,000, made up of amortising repayment loans with an expiry date of 30 June 2015 A property loan accounted for £26,250,000 of the loan facility with the balance available for general corporate purposes In addition the Group had an overdraft facility of £5,000,000 and a 364-day Revolving Credit Facility of £10,000,000, both of which fell due for renewal annually on 31 March The loans and overdraft bore interest at a variable rate with margins of between 2 50% and 3 0%

The amounts owed in respect of share redemptions are fully described in note 16

The Group has a policy of fixing the interest cost of an element of its long-term debt For this reason the Group has entered into a number of interest rate hedging instruments for periods between three and four years The maturity of these instruments extends beyond the expiry of the bank facilities as the Directors expect to obtain new facilities The notional principal at 30 June 2013 totalled £70,000,000 A valuation of these instruments was carried out as at 30 June 2013 to calculate their market value Fair value is based on market price of comparable instruments at the balance sheet date

Fair value liability	**30 June 2013**	**31 December 2011**
	£000	**£000**
Interest rate swaps	9,691	15,075
Forward currency contracts	102	-

16 Called-up share capital

Allotted, called up and fully paid Ordinary shares of 1p each	**No**	**£000**
At 1 January 2012	28,044,157	280
Redeemed during the year	(251,071)	(2)
At 30 June 2013	27,793,086	278

16 Issued share capital (continued)

On 27 April 2006 the Company entered into an agreement whereby on various dates between 28 April 2006 and 5 January 2013 it is required to purchase 4,693,325 ordinary shares of 1p each in the company in which shares S P Tindall and his family have an interest, for a total consideration of £38 8m Payments totalling £22 8m have been made up to 30 June 2013 leaving £16 0m due Concurrent with bank arrangements entered into in June 2013, the payment terms to S P Tindall were amended These arrangements include annual payments of a maximum of £2m provided such payments conform to the Group's bank arrangements and that funds and distributable reserves are available The total outstanding balance is due to be paid by 5 January 2016 These payments have not been discounted as they carry a commercial rate of interest

Since 30 June 2013 the oustanding amounts due to Mr Tindall and his family have been settled with a one-off payment of £10m funded by the issue of £6m of new preference shares and proceeds from disposals of property

The Rt Hon the Lord Heseltine and his family have a controlling interest in the company

17 Statement of movement on reserves

Group

	Capital redemption reserve £000	Merger reserve £000	Revaluation reserve £000	Profit and loss account £000	Share redemption reserve £000
At 1 January 2012	232	6,236	2 722	(46,846)	(17,995)
Profit for the financial year	-	-	-	(4,585)	-
Dividends paid	-	-	-	(2,000)	-
Currency translation differences on foreign currency net investments	-	-	-	434	-
Revaluation of freehold properties	-	-	14,005	-	-
Redemption of share capital	2	-	-	(2,010)	2,010
At 30 June 2013	234	6,236	16,727	(55,007)	(15,985)

Company

	Capital redemption reserve £000	Profit and loss account £000	Share redemption reserve £000
At 1 January 2012	232	84,812	(17,995)
Loss for the financial year	-	(10,123)	-
Dividends paid	-	(2,000)	-
Redemption of share capital	2	(2,010)	2,010
At 30 June 2013	234	70,679	(15,985)

The merger reserve has arisen on the acquisition of subsidiary companies in prior years

The Directors consider that £17,102,000 of the Company's profit and loss account is distributable (2011 £31,234,000)

18 Reconciliation of movements in equity shareholders' (deficit)/funds

	Group		Company	
	30 June 2013 £000	31 December 2011 £000	30 June 2013 £000	31 December 2011 £000
(Loss) / profit for the financial period	(4,585)	3,947	(10,123)	(2,673)
Other recognised gains and losses relating to the period (net)	14,439	9	-	-
Dividends	(2,000)	(2,000)	(2,000)	(2,000)
Net increase / (reduction) in shareholders' funds	7,854	1,956	(12,123)	(4,673)
Opening shareholders' (deficit)/funds	(55,371)	(57,327)	67,329	72,002
Closing shareholders' (deficit)/funds	(47,517)	(55,371)	55,206	67,329

19 Minority interests

	£000
At 1 January 2012	94
Profit on ordinary activities after taxation	41
Dividend paid to minority shareholder	(78)
At 30 June 2013	57

20 Reconciliation of operating profit to net cash inflow from operating activities

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Operating profit	8,962	18,482
Depreciation	8,437	5,275
Revaluation of freehold properties	(3,709)	64
Amortisation and impairment of publishing and exhibition rights	15,724	7,449
(Increase)/decrease in debtors	481	(273)
Decrease/(Increase) in stocks	930	529
(Decrease) / Increase in creditors	(4,763)	(7,792)
Net cash flow from operating activities	26 062	23,734

21 Analysis of changes in financing during the period

	Bank loans	Bank loans
	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Balance at beginning of period	123,508	125,822
Cash inflow / (outflow) from financing	8,558	(2,500)
Foreign exchange movement	(66)	186
Balance at end of period	132,000	123,508

22 Reconciliation of net cash flow to movement in net debt

	1 January 2012 to 30 June 2013 £000	Year ended 31 December 2011 £000
Increase / (decrease) in cash in the period	5,896	(3,414)
Cash (outflow)/inflow from debt financing	(8,492)	2,314
Change in net debt resulting from cash flows	(2,596)	(1,100)
Movement in net debt in the period	(2,596)	(1,100)
Net debt at beginning of period	(124 715)	(123,615)
Net debt at end of period	(127,311)	(124,715)

23 Analysis of net debt

	At 1 January 2012	Cash flow	Foreign exchange movement	At 30 June 2013
	£000	£000	£000	£000
Cash at bank and in hand	9,795	(569)	-	9,226
Overdrafts	(11,002)	6,465	-	(4,537)
Bank loans due within one year	(5,750)	(26,250)	-	(32,000)
	(6,957)	(20,354)	-	(27,311)
Debt due after one year				
Bank loans	(117,758)	17,824	(66)	(100,000)
	(124,715)	(2,530)	(66)	(127,311)

24 Capital commitments

There were no capital commitments at 30 June 2013 (31 December 2011 £nil) relating to the group or the company

Details of the share buy back commitments are shown in note 16

25 Operating lease commitments

As at 30 June 2013 the group was committed to making the following payments during the next year in respect of non-cancellable operating leases

30 June 2013	Motor vehicles £000	Plant and Machinery £000	Land and buildings £000	Total £000
Leases which expire				
Within one year	-	-	466	466
Within two to five years	217	-	1,420	1,637
After five years	-	-	-	-
As at 30 June 2013	217	-	1,886	2,103

31 December 2011	Motor vehicles £000	Plant and Machinery £000	Land and buildings £000	Total £000
Leases which expire				
Within one year	-	32	981	1,013
Within two to five years	-	38	813	851
After five years	-	-	93	93
As at 31 December 2011	-	70	1,887	1,957