Worth Global Style Network Limited

Report and Accounts

For the 15 month period ended 31 March 2006

Company Registration No. 4858491

Worth Global Style Network Limited
Index to the report and accounts
For the 15 month period ended 31 March 2006

Page	
1	Directors, Officer and Auditors
2 - 3	Directors' Report
4	Independent Auditors' Report
5	Profit and Loss Account
6	Statement of Total Recognised Gains and Losses
7	Balance Sheet
8 - 18	Notes to the Accounts

Worth Global Style Network Limited
Directors, Officer and Auditors

Directors	D Carter	(appointed 14 October 2005)
	I Griffiths	(appointed 31 July 2006 and resigned 10 January 2007)
	Richard Elliot	(appointed 10 January 2007)
Company secretary	K Elsdon	(appointed 15 September 2006)
Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH	
Registered office	40 Bernard Street London WC1N 1LW	
Company number	4858491	

Worth Global Style Network Limited

Directors' Report

For the 15 month period ended 31 March 2006

The directors submit their report and accounts for the 15 month period ended 31 March 2006.

Results and dividends
The profit for the 15 month period after taxation amounted to £8,165,000 (2004: £3,534,000 as restated).

Dividends of £3,108,000 (2004: £642,000) were declared and paid for ordinary shareholders during the period and £226,000 (2004: £434,000) for preference shareholders.

Review of business and principal activities
The Company's principal activity during the period was the provision of news and information services to the fashion, style and textile sectors.

The Company was acquired by Emap Communications Limited on 14 October 2005. The year end was changed to 31 March to fall in line with Group reporting.

With effect from 31 March 2006, the US branch operations were incorporated. WGSN Inc is a 100% held subsidiary from that date.

Future outlook
The Company achieved strong revenue and operating growth from its core assets. Further enhancements of the product through new product development, functionality and increasing the penetration into new territories will sustain the strong growth profile of the business into the future.

After the period end, the Company opened new branches in France, Japan, Hong Kong and Australia, and further branches are planned.

Accounting Policy Changes
There has been a change in accounting policy during the period in relation to accruals for the sales commission, to bring the Company's policy in line with Group accounting policy.

Historically, the Company accrued sales commissions from the time a customer was invoiced until the invoice and commission was paid. However, recognition of the liability for sales commission payments was deferred in line with the deferral of subscription revenue. However, the Board has taken the decision to align the statutory accounting policy with the Group accounting policy, and sales commission is now accrued and recognised at the time of customer payment, which is when the commission becomes payable to the salesperson.

The impact of the above changes in the policy are provided in note 1 to the financial statements.

Principal risks and uncertainties
The directors of Worth Global Style Network Limited manage the Group's risk at a Group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of Worth Global Style Network Limited. The principal risks and uncertainties of the Emap Group which include those of the company, are discussed on page 8 of the Emap plc annual report, which does not form part of this report.

Key performance indicators ("KPIs")
The directors of Emap plc manage the Group's operations on a divisional basis. For this reason the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of Worth Global Style Network Limited. The development, performance and position of the B2B division of Emap plc, which includes the Company, is discussed on page 15 of the Emap plc annual report, which does not form part of this report.

Directors and their interests
The directors who held office during the period are given below:

D Carter	(appointed 14 October 2005)
P Brown	(appointed 14 October 2005, resigned 31 July 2006)
JO Worth	(resigned 14 October 2005)
MD Worth	(resigned 14 October 2005)
NR Millard	(resigned 14 October 2005)
B Kellard	(resigned 14 October 2005)

Worth Global Style Network Limited

Directors' Report

For the 15 month period ended 31 March 2006

Directors and their interests (continued)

The directors have no interest in the share capital of the Company.

The interest of the directors in the share capital and share options of the ultimate parent company, Emap plc, at the beginning of the year, or subsequent date of appointmen where relevant, and at the end of the year were as follows:

	Ordinary shares in issue	
	At 31 March 2006	At 14 October 2005
D Carter	**42,914**	23,198
P Brown	**1,569**	1,569

	Ordinary shares under option (SAYE)			
	At 14 October 2005	Granted in period	Exercised/lapsed period	**At 31 March 2006**
D Carter	1,479	-	-	**1,479**

	Executive Share Plan under option (ESOP, PRP & EIP)			
	At 14 October 2005	Granted in period	Exercised/lapsed period	**At 31 March 2006**
D Carter	210,179	22,778	(38,179)	**194,778**
P Brown	81,565	17,290	(16,082)	**82,773**

Statement of directors' responsibilities
Company law requires the directors to prepare financial statements for each financial year which 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the 15 month period ended 31 March 2006 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

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

(1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(2) the director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Acts.

Auditors
The auditors, PricewaterhouseCoopers LLP were appointed on the 14 October 2005 to fill a casual vacancy and have indicated their willingness to continue in office. The Company has elected under section 386 of the Companies Act not to re-appoint auditors annually. Therefore the auditors, PricewaterhouseCoopers LLP, are deemed to be re-appointed for the next financial year.

Approved by the board of directors on 19 January 2007

R. K. Elliot

Richard Elliot
Director

Worth Global Style Network Limited
Independent Auditors' Report
For the 15 month period ended 31 March 2006

Independent auditors' report to the members of Worth Global Style Network Limited

We have audited the financial statements of Worth Global Style Network Limited for the 15 months ended 31 March 2006 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the Company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether, in our opinion, the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 March 2006 and of its profit for the 15 months then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
25th January 2007

Worth Global Style Network Limited
Profit and Loss Account
For the 15 month period ended 31 March 2006

	Notes	1 January 2005 to 31 March 2006 £'000	Restated 1 January 2004 to 31 December 2004 £'000
Turnover	3	**25,366**	15,003
Administrative expenses		**(18,431)**	(11,354)
Operating profit	4	**6,935**	3,649
Net interest receivable/(payable)	6	**102**	(109)
Profit on ordinary activities before taxation		**7,037**	3,540
Tax on profit on ordinary activities	7	**1,128**	(6)
Profit on ordinary activities after taxation		**8,165**	3,534
Dividends	8	**(3,334)**	(1,076)
Retained profit for the period	20	**4,831**	2,458

The above results relate to continuing operations.

There is no material difference between the reported profits and the historical cost profits on ordinary activities before taxation for both periods being reported.

The notes on pages 8 to 18 form part of these accounts.

Worth Global Style Network Limited
Statement of Total Recognised Gains and Losses
For the 15 month period ended 31 March 2006

	Notes	**1 January 2005 to 31 March 2006 £'000**	Restated 1 January 2004 to 31 December 2004 £'000
Profit for and total gains and losses relating to the financial period		**4,831**	2,458
Prior year adjustment - commission recognition	1, 19	**(352)**	-
Total gains and losses since last annual report		**4,479**	2,458

The notes on pages 8 to 18 form part of these accounts.

Worth Global Style Network Limited
Balance Sheet
At 31 March 2006

	Notes	31 March 2006 £'000	Restated 31 December 2004 £'000
Fixed assets			
Intangible assets	9	**20,750**	22,222
Tangible assets	10	**120**	385
Investments	11	**4,132**	-
		25,002	**22,607**
Current assets			
Debtors	12	**7,717**	5,321
Deferred tax asset	17	**4,792**	2,600
Cash at bank & in hand		**1,735**	5,342
		14,244	13,263
Creditors: amounts falling due within one year	13	**(18,622)**	(19,105)
Net current liabilities		**(4,378)**	(5,842)
Total assets less current liabilities		**20,624**	16,765
Creditors: amounts falling due after one year	14	**(867)**	(1,653)
Provisions for liabilities and charges	16	**(85)**	(476)
Net assets		**19,672**	14,636
Capital and reserves			
Called up share capital	18	**12,145**	12,120
Share premium	19	**63**	-
Profit and loss account	19	**7,464**	2,516
Total equity shareholders' funds	20	**19,672**	14,636

The financial statements on pages 5 to 18 were approved by the board of directors on 19 Jan 2007 and were signed on its behalf by:

R. K. Elliot

Richard Elliot
Director

Worth Global Style Network Limited

Notes to the accounts

For the 15 month period ended 31 March 2006

1 Accounting policies

Basis of accounting
These accounts have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The directors, in accordance with the Financial Reporting Standard 18, "Accounting Policies" ("FRS 18"), confirm that the accounting policies used by the Company are the most appropriate, consistently applied (with the exception of changes noted below) and adequately disclosed. A summary of the more important accounting policies is set out below.

Accounting policy changes
The Company has adopted FRS 21, 'Events after the balance sheet date' and the presentational requirements of FRS 25, Financial Instruments: disclosure and presentation', in these financial statements. The adoption of these standards represent a change in accounting policies.
The effect of these changes has not yielded any differences to the results for the year or that of the comparative year.

During the year the Company adopted FRS 20 'Share-based Payment'.
FRS 20 has been voluntarily adopted and is not required to be adopted until 1 April 2006.

FRS 20 requires the Company to charge the fair value of employee share options and share awards through the profit and loss account over the period the employee becomes entitled to the award. The Company has taken advantage of the transitional arrangements available in FRS 20 and only applied the requirements to options granted after 7 November 2002, not yet vested by 1 January 2005.

The effect of the change in accounting policy to adopt FRS 20 was to increase administrative expenses by £117,000 (2004: nil), the corresponding credit being taken directly to the profit and loss reserve.

The accounting policy for recognition of sales commission has been changed during the year to align Company policy with Group accounting policies. The liability for sales commission is now recognised on payment of customer invoice, instead of being accrued on cutomer invoicing with recognition deferred until recognition of the revenue.

The impact on the financial statements of the above changes in policy is summarised below:

12 months to 31 December 2004	As previously reported £'000	Effect of new commission policy £'000	As restated £'000
Administrative expenses	(11,293)	(61)	(11,354)
Prepayments and accrued income	856	(856)	-
Accruals and deferred income	(604)	504	(100)
Shareholders funds	14,988	(352)	14,636

The impact on the financial statements of this policy is not diclosed for the current 15 months to 31 March 2006, as it is impracticable for the Company to reconstruct the calculations. For commercial reasons, the Company did not maintain the accounting records in such a form that would establish the amounts had the previous policy still been in use.

Dividends
Dividend distributions to the Company's shareholders are recognised as a liability either in the period in which the dividends are approved by the Company's shareholders or, in the case of interim dividends when the dividend is paid.

Consolidation
As the company is a wholly owned subsidiary of Emap Plc, another body corporate registered in England & Wales, advantage has been taken of s228 of the Companies Act 1985 not to prepare group accounts.

Intangible fixed assets
Goodwill arising on the acquisition of a business is the difference between the fair value of the consideration paid plus related costs and the fair value of the separable net assets. Goodwill arising on acquisitions is capitalised and written off over its estimated life. After initial recognition, goodwill is measured at cost less accumulated amortisation and any accumulated impairment losses. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full year following acquisition; and
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated life of goodwill is 20 years from the date of acquisition.

Investments
Fixed asset investments are stated at cost less provisions for permanent diminution in value.

1 Accounting policies (continued)

Depreciation
The cost of tangible fixed assets less estimated residual value on disposal is written down evenly over their expected useful lives as follows:

Computer equipment	- 3 to 4 years
Office equipment	- 3 to 5 years

Provision is made against the carrying value of tangible fixed assets where an impairment in value is deemed to have occurred.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction, or at the contracted rate where a related hedging contract exists. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at 31 March. All exchange differences are taken to the profit and loss account. Deferred income is recorded at the exchange rate ruling at the date of the transaction.

Taxation
The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Tax deferred or accelerated by the effect of timing differences is accounted for to the extent that a transaction or event that has occurred at the balance sheet date gives rise to an obligation to pay more tax or a right to pay less tax in the future. Deferred tax assets are only recognised to the extent that, based on available evidence, it is more likely than not suitable taxable profits will arise from which the reversal of the asset can be deducted. The Company does not discount deferred tax assets or liabilities.

Leasing
Assets held under hire purchase contracts and finance leases are capitalised at their fair value on the inception of the leases and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding.

Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions
The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the Profit and Loss account represents the contributions payable to the scheme in respect of the accounting period.

2 Cash flow statement and related party disclosures
The Company is a wholly owned subsidiary of Emap plc and is included in the consolidated financial statements of Emap plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Emap plc Group or investees of the Emap plc Group.

3 Turnover
Revenue is recognised when the significant risks and rewards of ownership have been transferred to a third party, or for services provided, at the point when it is probable that the economic benefits will flow to the Company and when the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration and represents amounts receivable for services and goods provided in the normal course of business, net of discounts, custom duties and sales taxes.

Subscription revenue is recognised in equal monthly instalments over the period of the subscription. Pre-paid subscription revenues are shown as deferred income and released to the income statement over the life of the subscription.

3 Turnover (continued)

All turnover is derived from subscription revenue.

An analysis of turnover by geographical market is given below:

	1 January 2005 to 31 March 2006 £'000	1 January 2004 to 31 December 2004 £'000
United Kingdom	4,192	2,632
Rest of Europe	6,119	3,557
North America	9,120	5,721
Far East	2,951	1,696
Australasia	1,524	784
South America	610	264
Rest of World	850	349
	25,366	15,003

There is no material difference between turnover by origin and by destination.

4 Operating profit

(a) This is stated after charging

	1 January 2005 to 31 March 2006 £'000	1 January 2004 to 31 December 2004 £'000
Auditors' remuneration - audit fee	-	23
- non audit fees	71	41
Amortisation of goodwill	1,472	1,177
Depreciation	205	189
Loss on sale of fixed assets	48	-
Operating lease rentals - Plant and equipment	12	16
- Other	381	303

During the period, the audit fee was borne and not recharged by another Group undertaking.

(b) Directors' emoluments

	1 January 2005 to 31 March 2006 £'000	1 January 2004 to 31 December 2004 £'000
Aggregate emoluments	1,839	988
Pension contributions under the defined contribution scheme	12	24
	1,851	1,012

Retirement benefits are accruing to 1 (2004: 3) directors under the defined contribution scheme.
During the period 1 (2004: nil) director exercised options over 72,507 'A' Ordinary shares of Worth Global Style Network Limited.
Aggregate emoluments includes £119,000 paid as compensation for loss of office.

(c) Highest paid director

	1 January 2005 to 31 March 2006 £'000	1 January 2004 to 31 December 2004 £'000
Aggregate emoluments	1,159	396
Pension contributions under the defined contribution scheme	12	-
	1,171	396

At 31 March 2006 the highest paid director had accrued pension benefits of £12,000 (2004: £24,000).
The highest paid director exercised share options during the period.

Worth Global Style Network Limited

Notes to the accounts

For the 15 month period ended 31 March 2006

5 Staff costs

(a) Costs (including directors' emoluments)

	1 January 2005 to 31 March 2006 £'000	Restated 1 January 2004 to 31 December 2004 £'000
Wages and salaries	**9,589**	6,264
Social security costs	**1,053**	489
Other pension costs	**131**	114
	10,773	6,867

(b) Pension costs

The Company contributed to a defined contribution pension scheme during the period. During the period contributions amounted to £130,000 (2004: £114,000).

From 1 April 2006, staff were eligible to join the Flexiplan scheme administered by Emap plc.

(c) Employees

The average weekly number of persons (including executive directors) employed by the Company during the period was 143 (2004: 123).

(d) Staff share bonus

Through the Emap All Employee Share Ownership Plan, Emap plc has this year offered free shares to the value of £820 to qualifying staff. Sharemap is part of Lifemap, Emap's flexible benefits plan and allows staff to save up to £1,500 a year to buy Emap plc shares. Emap plc will then match the cumulative investment in shares on a one to one basis. The shares are held in trust for staff for three years, after which time they can be sold. After five years, the shares are free of income tax on release from the trust. The Emap SAYE scheme has now run in the UK for 21 consecutive years.

6 Net interest

	1 January 2005 to 31 March 2006 £'000	1 January 2004 to 31 December 2004 £'000
Interest receivable		
Bank interest	**213**	104
Interest payable		
Other loans	**(111)**	(212)
On finance leases	-	(1)
Total interest payable	**(111)**	(213)
Net interest receivable/(payable)	**102**	(109)

7 Tax on profit on ordinary activities

	1 January 2005 to 31 March 2006 £'000	Restated 1 January 2004 to 31 December 2004 £'000
UK Corporation tax	-	-
Foreign taxes	1,064	-
Corporation tax - prior years	-	6
Total current tax	1,064	6
Deferred tax - current period	(970)	-
Deferred tax - prior year	(1,222)	-
Tax on profit on ordinary activities	(1,128)	6

The difference between tax as per the financial statements and tax at the UK nominal rate is explained below:

	31 March 2006 £'000	Restated 31 December 2004 £'000
Profit before tax	7,037	3,540
Tax charge at 30% (2004: 30%)	2,111	1,062
Non-tax deductible expenses	457	353
Tax deduction for share based payments	(6,192)	-
Deferred tax - accelerated capital allowances	73	-
Deferred tax - short term timing differences	-	-
Tax losses carried forward/(brought forward)	3,551	(1,415)
Foreign taxes	1,064	-
Corporation tax - prior years	-	6
Tax charge for the current period	1,064	6

8 Dividend paid

	1 January 2005 to 31 March 2006 £'000	1 January 2004 to 31 December 2004 £'000
Ordinary dividends paid £2.59 per share (2004: £0.535)	3,108	642
Preference dividends paid £0.019 per share (2004: £0.036)	226	434
	3,334	1,076

9 Intangible fixed assets

	Goodwill £'000
Cost	
At 1 January 2005 and 31 March 2006	**23,546**
Amortisation	
At 1 January 2005	1,324
Charged during the period	1,472
At 31 March 2006	**2,796**
Net book value at 31 March 2006	**20,750**
Net book value at 31 December 2004	22,222

The directors have considered the value of all intangible fixed assets at 31 March 2006 and will make provisions for impairment in value where appropriate. Valuations have been measured by reference to the greater of net realisable value and value in use. Value in use has been calculated with reference to future expected cash flows, discounted at a rate of 13%, the Group's pre-tax weighted average cost of capital.

10 Tangible fixed assets

	Computer Equipment	Office Equipment	Total £'000
Cost			
At 1 January 2005	532	65	**597**
Additions	218	33	**251**
Disposals	(564)	(54)	**(618)**
At 31 March 2006	**186**	**44**	**230**
Depreciation			
At 1 January 2005	157	55	**212**
Charged during the period	198	7	**205**
Disposals	(282)	(25)	**(307)**
At 31 March 2006	**73**	**37**	**110**
Net book value			
At 31 March 2006	**113**	**7**	**120**
At 31 December 2004	375	10	385

Included in the net book value is £nil (2004: £23,000) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation on these assets was £nil (2004: £7,667).

11 Investments

	Shares in Subsidiary 31 March 2006 £'000
At 1 January 2005	-
Additions	4,132
At 31 March 2006	**4,132**

At 31 March 2006 the company had the following subsidiary undertakings:

	Country of registration	Class of shares held	Percentage held	Nature of business
WGSN Inc	USA	Ordinary	100%	Information services

On 31 March 2006, Worth Global Style Network Limited incorporated its US branch as WGSN Inc, a newly formed Delaware corporation. Worth Global Style Network Limited contributed all the assets and liabilities of its US branch at book value of £4,132,000 in exchange for four shares of WGSN Inc common stock.

12 Debtors

	31 March 2006 £'000	Restated 31 December 2004 £'000
Trade debtors	**5,968**	5,099
Other debtors	**69**	29
Amounts due from Group undertakings	**1,392**	-
Prepayments and accrued income	**288**	193
	7,717	5,321

Amounts owed by Group undertakings are unsecured, interest free and have no fixed date of repayment.

13 Creditors: amounts falling due within one year

	31 March 2006 £'000	Restated 31 December 2004 £'000
Bank loans and overdrafts (Note 15)	-	2,692
Trade creditors	**582**	277
Finance leases (Note 15)	-	2
Taxation and social security	**1,002**	438
Other creditors	-	2,327
Accruals and deferred income	**17,038**	13,369
	18,622	19,105

14 Creditors: amounts falling due after more than one year

	31 March 2006 £'000	31 December 2004 £'000
Deferred income	**867**	673
Bank term loan	-	980
	867	1,653

For the year ended 31 December 2004, the bank term loan was secured by a fixed and floating charge over all assets of the company.

15 Analysis of debt

	31 March 2006 £'000	31 December 2004 £'000
Debt (excluding finance leases and hire purchase contracts) can be analysed as falling due:		
In one year or less, or on demand	-	2,692
In more than one year but not more than two years	-	910
In more than two years but not more than five years	-	70
	-	**3,672**

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	31 March 2006 £'000	31 December 2004 £'000
Within one year	-	2
In the second to fifth years	-	-
	-	2

16 Provisions for liabilities and charges

	Other provisions £'000	Property provisions £'000	Total £'000
At 1 January 2005	72	404	**476**
Utilised during the period	(72)	(62)	**(134)**
Released during the period		(257)	**(257)**
At 31 March 2006	-	**85**	**85**

The provisions relate to amounts provided for retained properties previously occupied by the Company, and property dilapidations. The release during the period was due to an empty property being sublet during the period.
The provisions represent the best estimate of the future net rental deficit cash outflow, and the estimated cost of dilapidations. The costs are expected to be incurred on leases expiring up to January 2010.

17 Deferred taxation asset

The deferred taxation asset relates to:

	31 March 2006 £'000	31 December 2004 £'000
Accelerated capital allowances	**250**	-
Short term timing differences	**65**	-
Tax losses	**4,477**	2,600
	4,792	**2,600**

There are approximately £10.7m of tax trading losses that have not been provided for as at 31 March 2006.
The movement in the deferred taxation asset is as below:

	£'000
At 1 January 2004	2,600
Transferred to profit and loss account	2,192
At 31 March 2006	**4,792**

18 Called up share capital

	31 March 2006 £'000	31 December 2004 £'000
Authorised		
1,200,000 Ordinary shares of 10p each	**120**	120
250,151 'A' Ordinary Shares of 10p each	**25**	25
12,000,000 preference shares of £1 each	**12,000**	12,000
	12,145	12,145
Allotted and fully paid		
1,200,000 Ordinary shares of 10p each	**120**	120
250,151 'A' Ordinary Shares of 10p each	**25**	-
12,000,000 preference shares of £1 each	**12,000**	12,000
	12,145	12,120

The ordinary shares confer on the holders thereof, voting rights, an entitlement to dividends as recommended by the directors and the right to share in the surplus on a winding up after all liabilities and participation rights of other classes of shares have been satisfied.

The 'A' Ordinary shares do not carry an entitlement to receive notice of or to attend and vote at general meetings of the Company. In all other respects, the Ordinary shares and 'A' Ordinary shares rank pari passu.

The preference shares do not confer on the holders thereof, any voting rights nor any entitlement to any participation in the profits of the Company other than a fixed non-cumlative preference dividend equal to 3.76% per annum payable in two equal bi-annual instalments on 1 June and 1 December in respect of the six month periods ending on 30 April and 31 October respectively each year.

During the year, options were exercised to acquire 250,151 'A' ordinary shares at a price of 35p per share.

19 Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 January 2005	-	2,868
Prior year adjustment - commission recognition	-	(352)
At 1 January 2005 as restated	-	2,516
Premium on ordinary shares issued	63	-
Share options	-	117
Retained profit for the period	-	4,831
At 31 March 2006	**63**	**7,464**

20 Reconciliation of movements in shareholders' funds

	31 March 2006 £'000	Restated 31 December 2004 £'000
Retained profit for the period	**4,831**	2,458
Share issue	**88**	-
Share options - value of employee services	**117**	-
Net increase in shareholders' funds	**5,036**	2,458
Opening shareholders' funds as previously reported	**14,988**	12,469
Prior year adjustment - commission recognition	**(352)**	(291)
Opening shareholders' funds as restated	**14,636**	12,178
Closing shareholders' funds	**19,672**	14,636

21 Lease commitments

At 31 March 2006 the company had annual commitments under non-cancellable operating leases expiring as follows:

	31 March 2006 Land and buildings £'000	31 March 2006 Other £'000	31 December 2004 Land and buildings £'000	31 December 2004 Other £'000
Within one year	**216**	-	124	16
Within two to five years	**337**	-	79	-
After five years	-	-	267	-
	553	-	470	16

The Company has a sub lease with Media Planet Group with respect to a property lease. The sub lease runs to July 2009. During the period Media Planet Group contributed £20,000 (2004: £nil) in operating lease rentals to land and buildings.

After the period end, a building leased by the Company on Edgware Road was vacated on 22 December 2006.

22 Ultimate parent company

The immediate parent undertaking is Emap Communications Limited.

The ultimate parent company and controlling party is Emap plc, which is the parent undertaking of the smallest and largest Group to consolidate these financial statements. Copies of Emap plc's consolidated financial statements can be obtained from the Registered Office at 40 Bernard Street, London, WC1N 1LW.