

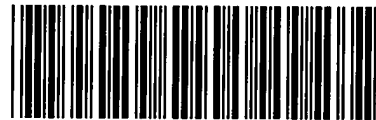
Registration number: 00267189

# Haymarket Media Group Limited

Annual Report and Financial Statements

for the Year Ended 30 June 2015

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**Haymarket Media Group Limited**  
**Annual report and financial statements for the year ended 30 June 2015**  
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## Haymarket Media Group Limited

### Annual Report and Financial Statements for the year to 30 June 2015 Company Information

<b>Directors</b>	J D Duckworth (resigned on 20.05.2015) The Rt Hon the Lord Heseltine CH K Costello D B Fraser (resigned on 01.12.2014) B J Freeman P Fuller (resigned on 01.12.2014) The Hon R W D Heseltine J Macken (resigned on 01.12.2014) L A Maniscalco (resigned on 01.12.2014) R J McDowell (resigned on 01.12.2014) D Prasher (resigned on 01.12.2014)
<b>Company secretary</b>	B J Freeman
<b>Auditor</b>	Deloitte LLP Chartered Accountants and Statutory Auditor London United Kingdom
<b>Banker</b>	The Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB
<b>Registered office</b>	Bridge House 69 London Road Twickenham Middlesex TW1 3SP
<b>Solicitor</b>	Lewis Silkin LLP London

## **Haymarket Media Group Limited**

### **Strategic Report for the Year Ended 30 June 2015**

The Directors present their Strategic Report for the year ended 30 June 2015. The Directors, in preparing this Strategic Report, have complied with s414c of the Companies Act 2006.

#### **Principal activities**

The principal activities of the Company are the provision of editorial content and related services through multiple platforms, including magazines, tablets and websites, serving specialist audiences in both the business to consumer and business to business markets. In addition, the company organises events and conferences.

The Company continues to significantly invest in its online activities in order to exploit the commercial opportunities as it looks to meet the demands of its specialist audiences of professionals and enthusiasts online.

#### **Fair review of the business**

Company turnover in the year 30 June 2015 was £109.4m (2014: £97.6m).

Operating profit before expenditure on the launch and development of new activities, exceptional items, asset amortisation and impairments of investments and intangible assets was £6.6m (2014: £7.0m). Statutory operating loss was £4.025m (2014: £61.3m).

The results reflect asset impairments of £1.4m (2014: £58.1m) on acquired print publishing rights and fixed asset investments. Under historical cost methods, the balance sheet does not reflect the value of our overall brand portfolio.

In response to the economic downturn (in the UK and USA in particular) management have taken various actions that have resulted in further headcount reductions and other cost saving measures. These costs totalled £1,654,000 (2014: £2,151,000) and given materiality, they have again been treated as an exceptional restructuring cost.

No dividend was paid during the year (2014 £nil).

#### **Principal risks and uncertainties**

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

The Company's credit risk is primarily attributable to its trade receivables. The Company actively monitors amounts owed by its customers by way of comprehensive and detailed information that is supplied regularly to management. The Company has no concentration of credit risk, with its exposure being spread over a large number of clients.

The Haymarket 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 short-term debt finance to ensure that sufficient funds are available for ongoing operations and future developments. As discussed below in the Directors' Report and in note 1, the Group renegotiated its banking facilities in March 2015 and has since entered into a new 4 year facilities arrangement with RBS, following the disposal of its Teddington office property and the repayment of a substantial proportion of its bank debt.

A proportion of interest rate and currency risk is hedged by a Parent Company by way of fixed interest and foreign currency bank loans.

**Haymarket Media Group Limited**  
**Strategic Report for the Year Ended 30 June 2015 (continued)**

Approved by the Board of Directors on 18 December 2015 and signed on its behalf by:



.....  
B J Freeman

Company secretary and director

## **Haymarket Media Group Limited Directors' Report for the Year Ended 30 June 2015**

The Directors present their annual report and the audited financial statements for the year ended 30 June 2015.

### **Dividends**

The Directors do not recommend a dividend payment in respect of the financial year ended 30 June 2015 (2014: £nil).

### **Directors**

The Directors and Company Secretary who held office during the year were as follows:

#### **Directors:**

K Costello  
J D Duckworth (Resigned on 20/05/2015)  
D B Fraser (Resigned on 1/12/2014)  
B J Freeman  
P Fuller (Resigned on 1/12/2014)  
The Rt Hon the Lord M R D Heseltine CH  
The Hon R W D Heseltine  
J Macken (Resigned on 1/12/2014)  
L A Maniscalco (Resigned on 1/12/2014)  
R J Mcdowell (Resigned on 1/12/2014)  
D Prasher (Resigned on 1/12/2014)

#### **Company Secretary:**

B J Freeman

### **Directors' Indemnity**

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

The information that fulfils the Companies Act requirements of the business review is now included in the Strategic Report. This includes a review of the development of the business of the Company during the year, of its position at the end of the year and of likely future developments in its business.

**Haymarket Media Group Limited**  
**Directors' Report for the Year Ended 30 June 2015 (continued)**

**Going concern basis adopted in preparing financial statements**

The Company is a subsidiary of Haymarket Group Limited and because the Group operates a centralised treasury function, the Company is dependent on the Group for financing. Haymarket Group Limited has confirmed that it will provide, subject to funds being available, either directly or through a subsidiary, such financial support as is necessary to the Company to enable the Company to continue to meet its liabilities as they fall due.

In March 2015 the Group completed negotiations with its principal lender, the Royal Bank of Scotland (RBS). New banking arrangements were put in place that extended the existing banking arrangements until the completion of the Teddington Studios sale, which completed on 20 November 2015. Following completion of the property sale for £85m, the Group has moved into new rented office accommodation, and £84m of the proceeds has been used to repay most of the outstanding term loans. This repayment has triggered the introduction of a new four year banking facility totalling £33.5m, made up of a £15m term loan and the balance in revolving credit facilities.

The Directors acknowledge the uncertainty inherent in forecasting advertising and other revenue streams. However, they believe that, having drawn up the Group's latest forecasts, which take into account their view of any adverse variations in trading performance, the Group will have sufficient cash and covenant headroom under the Group's facilities for the foreseeable future.

Hence after considering the Group's current financial projections following the property sale and entering into a new banking facilities arrangement, the Directors consider that the Group will have access to sufficient financial resources to continue in operational existence for the foreseeable future 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 was a Director at the date of approving this report confirms that:

- (1) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**Reappointment 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 the auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors on 18 December 2015 and signed on its behalf by:



.....  
B J Freeman  
Company secretary and director

## **Haymarket Media 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 period. 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 apply them consistently;
- make judgements and 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 Media Group Limited**

We have audited the financial statements of Haymarket Media Group Limited for the year ended 30 June 2015, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements 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 the 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 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 30 June 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of Haymarket Media Group Limited (continued)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



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

Date: 15 June 2015

**Haymarket Media Group Limited**  
**Profit and Loss Account**  
**for the Year Ended 30 June 2015**

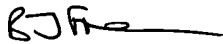
	Notes	2015 £ 000	2014 £ 000
Turnover	1	109,420	97,566
Cost of sales	1	<u>(82,665)</u>	<u>(71,904)</u>
Gross profit		26,755	25,662
Operating expenses (net)		<u>(20,158)</u>	<u>(18,643)</u>
Operating profit before amortisation of publishing rights and exceptional items		6,597	7,019
Amortisation of intangible assets	9	(7,564)	(8,026)
Impairment of intangible assets	9	(4)	(35,839)
Impairment of fixed asset investments	11	(1,400)	(22,282)
Exceptional restructuring costs	3	<u>(1,654)</u>	<u>(2,151)</u>
Operating Loss		(4,025)	(61,279)
Profit/(loss) on sale of investments and publishing rights		155	67
Investment income	5	1,435	22,360
Interest payable and similar charges	6	<u>(1,219)</u>	<u>(1,272)</u>
Loss on ordinary activities before taxation		(3,654)	(40,124)
Tax on loss on ordinary activities	7	<u>(726)</u>	<u>(1,219)</u>
Loss on ordinary activities after taxation	18	<u><u>(4,380)</u></u>	<u><u>(41,343)</u></u>

All operations during the year are derived from continuing operations.

**Haymarket Media Group Limited**  
**Balance Sheet**  
**as at 30 June 2015**

	Notes	2015 £ 000	2014 £ 000
<b>Fixed assets</b>			
Intangible assets	9	35,146	43,309
Tangible assets	10	4,207	4,800
Investments	11	283,641	280,035
		<u>322,994</u>	<u>328,144</u>
<b>Current assets</b>			
Stocks	12	25	33
Debtors under one year	13	20,497	17,644
Debtors over one year	13	1,384	1,258
Cash at bank and in hand		7,515	10,147
		<u>29,421</u>	<u>29,082</u>
Creditors: Amounts falling due within one year	14	<u>(24,185)</u>	<u>(30,279)</u>
Net current assets/(liabilities)		<u>5,236</u>	<u>(1,197)</u>
Total assets less net current liabilities		328,230	326,947
Creditors: Amounts falling due after more than one year	15	<u>(117,791)</u>	<u>(112,204)</u>
Net assets		<u>210,439</u>	<u>214,743</u>
<b>Capital and reserves</b>			
Called up share capital	17	274,501	274,501
Profit and loss account	18	<u>(64,062)</u>	<u>(59,758)</u>
Total shareholders' funds		<u>210,439</u>	<u>214,743</u>

The financial statements of Haymarket Media Group Limited (Company registration number 00267189), have been authorised and approved for issue by the Board of Directors on 18 December 2015 and signed on its behalf by:



B J Freeman  
 Director

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under historical cost convention in accordance with United Kingdom law and accounting standards. The particular accounting policies adopted by the Directors are consistent with the prior year and are described below. In preparing the financial statements the directors have adopted the going concern basis, as explained in the Directors' Report.

**Going concern**

The Company is a subsidiary of Haymarket Group Limited and because the Group operates a centralised treasury function, the Company is dependent on the Group for financing. Haymarket Group Limited has confirmed that it will provide, subject to funds being available, either directly or through a subsidiary, such financial support as is necessary to the Company to enable the Company to continue to meet its liabilities as they fall due.

In March 2015 the Group completed negotiations with its principal lender, the Royal Bank of Scotland (RBS). New banking arrangements were put in place that extended the existing banking arrangements until the completion of the Teddington Studios sale, which completed on 20 November 2015. Following completion of the property sale for £85m, the Group has moved into new rented office accommodation, and £84m of the proceeds has been used to repay most of the outstanding term loans. This repayment has triggered the introduction of a new four year banking facility totalling £33.5m, made up of a £15m term loan and the balance in revolving credit facilities.

The Directors acknowledge the uncertainty inherent in forecasting advertising and other revenue streams. However, they believe that, having drawn up the Group's latest forecasts, which take into account their view of any adverse variations in trading performance, the Group will have sufficient cash and covenant headroom under the Group's facilities for the foreseeable future.

Hence after considering the Group's current financial projections following the property sale and entering into a new banking facilities arrangement, the Directors consider that the Group will have access to sufficient financial resources to continue in operational existence for the foreseeable future and therefore the Directors continue to adopt the going concern basis in preparing the financial statements.

The information that fulfils the Companies Act requirements of the business review is now included in the Strategic Report. This includes a review of the development of the business of the Company during the year, of its position at the end of the year and of likely future developments in its business.

**Cash flow statement**

A Cash Flow Statement has not been produced as Haymarket Media Group Limited is a wholly-owned subsidiary of Haymarket Group Limited, which itself produces a publicly available consolidated Cash Flow Statement. Consequently, the Company is exempt from producing a Cash Flow Statement under the terms of FRS 1 (Revised).

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**1 Accounting policies (continued)**

**Basis of consolidation**

The consolidated financial statements of the year ended 30 June 2015 have not been produced as Haymarket Media Group Limited is a wholly-owned subsidiary of Haymarket Group Limited, a Company incorporated in the United Kingdom and registered in England and Wales which itself produces consolidated financial statements. As such the Company is exempt from FRS2 and s400 of the Companies act 2006. These financial statements present information about the Company as an individual undertaking and not as a Group.

**Intangible assets**

Publishing rights, whether acquired as assets or as a business combination, are held at cost less any provision for impairment in value and are amortised on a straight-line basis over the economic life of the asset, estimated to be between 5 and 20 years. Acquired non-compete agreements are amortised over the effective period of that agreement.

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.

**Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation net of depreciation and any provision for impairment. Improvements to short leasehold properties are amortised over the period of the lease. Other assets are depreciated by equal annual instalments over the anticipated lives of the assets, principally at the following rates:

Vehicles, plant and machinery - 20% - 25%  
IT infrastructure and equipment - 3-5 years  
Website development - 1-3 years

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 of website development costs that are charged to the Profit and Loss Account as incurred.

**Fixed asset investments**

Fixed asset investments are shown at cost less any provision for impairment.

**Related party transactions**

The Company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 not to disclose related party transactions with 100% owned companies in the Haymarket Group.

**Stock**

Stocks are valued at the lower of cost and net realisable value. Provisions are made for obsolete, slow moving or defective items where appropriate.

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**1 Accounting policies (continued)**

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred taxation is provided in full on timing differences between the recognition of gains and losses in the financial statements and their recognition in a taxation computation.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiary and associated undertakings and joint ventures where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**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 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. Revenue is derived from UK based operations.

**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 conferences and other events are recognised on the date of the event.

**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 Accounts.

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.

**Operating leases**

Rentals are charged to the Profit and Loss Account in equal annual amounts over the lease term.

**Pension costs**

The company operates a defined contribution pension scheme. Pension costs are charged to the Profit and Loss Account in the year in which they become payable.

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**2 Information regarding Directors and employees**

**Directors' emoluments**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Emoluments	<u>3,346</u>	<u>3,673</u>
Remuneration of highest paid Director	<u>1,162</u>	<u>752</u>

There are defined contribution pension plans for the benefit of eight Directors (2014: nine). The contributions in total for the year were £236,198 (2014: £296,602). The highest paid Director received £61,308 contributions for this year (the highest paid Director in the year ended 30 June 2014 received nil pension contributions during the preceding year).

**Staff costs during the year (including Directors)**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Wages and salaries	46,909	39,191
Social security costs	4,669	4,091
Pension costs	<u>1,705</u>	<u>1,588</u>
	<u>53,283</u>	<u>44,870</u>
	<b>No.</b>	<b>No.</b>
Average number of persons employed by the Company (including Directors)	<u>939</u>	<u>920</u>

During the year the company entered into the following transactions with two Directors of its Parent Company:

Personal costs paid for by the Group and fully reimbursed	<b>Lord Heseltine</b>	<b>S P Tindall</b>
	<b>£</b>	<b>£</b>
12 months to 30 June 2015	99,000	-
12 months to 30 June 2014	<u>335,878</u>	<u>31,200</u>

**3 Exceptional costs**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Exceptional restructuring costs	<u>1,654</u>	<u>2,151</u>

The Company's current taxation charge for the year year ended 30 June 2015 was reduced by £343,209 (2014: £483,975) as a result of these exceptional items.



**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**4 Operating loss**

This is stated after charging:

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Amortisation of publishing rights	7,564	8,026
Provision for impairment of publishing rights	-	35,839
Impairment of fixed asset investments	1,415	22,282
Depreciation of owned fixed assets (see note 10)	2,782	3,322
Rental under operating leases for land and buildings	196	297
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	143	143
Fees payable to the Company's auditor for tax and other services	330	294
	<u>12,430</u>	<u>70,203</u>

**5 Investment income**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Dividend received from subsidiary	7	21,711
Foreign exchange gains	1,428	649
	<u>1,435</u>	<u>22,360</u>

**6 Interest payable and similar charges**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Interest on bank borrowings	24	-
Foreign exchange losses	1,195	1,272
	<u>1,219</u>	<u>1,272</u>

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**7 Tax on loss on ordinary activities**

The tax is made up as follows:

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Current tax</b>		
UK corporation tax @ 20.75% (2014: 22.5%)	-	32
Amount paid for Group relief	802	944
Adjustments in respect of previous periods	(32)	(179)
Overseas taxation	82	75
<b>Total current tax</b>	<b>852</b>	<b>872</b>
<b>Deferred tax</b>		
Deferred tax (credit) / charge (see note 8)	(126)	347
<b>Tax on loss on ordinary activities</b>	<b>726</b>	<b>1,219</b>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 20.75% (2014: 22.5%). The current tax charge for the year differs from 20.75% for the reasons set out in the following reconciliation:

**Reconciliation of current tax charge**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Loss on ordinary activities before tax	(3,654)	(40,124)
Corporation tax at standard rate of 20.75% (2014: 22.5%)	(758)	(9,028)
Capital allowances in excess of depreciation	134	195
Short-term timing differences	-	(147)
Non-deductible impairment loss/disposals	292	13,077
Non-taxable income	(1)	(4,900)
Expenses not deductible for tax purposes	73	135
Non-tax deductible amortisation of goodwill and impairment	1,532	1,755
Adjustment for prior years	(32)	(179)
Book profit on chargeable assets	124	-
Profit on sale of intangibles	-	(18)
Double taxation relief	(82)	(75)
Overseas withholding tax	82	75
Group relief surrendered by Group companies	(512)	(18)
<b>Total current tax</b>	<b>852</b>	<b>872</b>

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**8 Deferred tax**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Difference between accumulated depreciation and amortisation and capital allowances.	1,112	982
Other timing differences	272	276
	1,384	1,258

In the opinion of the Directors, it is considered more likely than not that the deferred tax asset will be recovered in light of the expected future trading results of the Company.

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

	<b>2015</b>
	<b>£ 000</b>
Charged to the Profit and Loss Account	(126)

Deferred tax assets or liabilities have been recognised at 20% in these financial statements, being the tax rate that was enacted at the Balance Sheet date and will be in effect from 1 April 2016.

**9 Intangible fixed assets**

	<b>Publishing rights</b>
	<b>£ 000</b>
<b>Cost</b>	
At 1 July 2014	183,589
Disposals	(3,319)
At 30 June 2015	180,270
<b>Accumulated amortisation</b>	
At 1 July 2014	140,280
Charge in the period	7,564
Disposals	(2,720)
At 30 June 2015	145,124
<b>Net book value</b>	
At 30 June 2015	35,146
At 30 June 2014	43,309

Provisions for impairments on intangible assets totalling £nil (2014: £35,839,000) were made during the year. In accordance with Group policy, management conducted an impairment review of its intangible assets using a 5-year discounted cash flow analysis with a terminal value, assuming a weighted average cost of capital of 10.1% and a growth rates of between 0% and 3%.

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**10 Tangible fixed assets**

	Short leasehold properties £ 000	Plant and machinery £ 000	Website development costs £ 000	Total £ 000
<b>Cost</b>				
At 1 July 2014	-	13,180	3,644	16,824
Transfer from Haymarket Exhibitions Ltd	-	185	-	185
Additions	111	668	1,416	2,195
Disposals	-	(396)	(1,408)	(1,804)
At 30 June 2015	<u>111</u>	<u>13,637</u>	<u>3,652</u>	<u>17,400</u>
<b>Depreciation</b>				
At 1 July 2014	-	10,131	1,893	12,024
Transfer from Haymarket Exhibitions Ltd	-	185	-	185
Charge for the year	-	1,505	1,277	2,782
Eliminated on disposals	-	(395)	(1,403)	(1,798)
At 30 June 2015	<u>-</u>	<u>11,426</u>	<u>1,767</u>	<u>13,193</u>
<b>Net book value</b>				
At 30 June 2015	<u>111</u>	<u>2,211</u>	<u>1,885</u>	<u>4,207</u>
At 30 June 2014	<u>-</u>	<u>3,049</u>	<u>1,751</u>	<u>4,800</u>

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
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**11 Investments held as fixed assets**

	Shares in associated undertakings £ 000	Shares in subsidiary undertakings £ 000	Loans to subsidiary undertakings £ 000	Loans to parent undertakings £ 000	Total £ 000
<b>Cost</b>					
At 1 July 2014	268	353,553	21,509	128,079	503,409
Additions	-	-	567	4,454	5,021
At 30 June 2015	<u>268</u>	<u>353,553</u>	<u>22,076</u>	<u>132,533</u>	<u>508,430</u>
<b>Provision for impairment</b>					
At 1 July 2014	268	206,197	16,909	-	223,374
Charge for year	-	1,400	15	-	1,415
At 30 June 2015	<u>268</u>	<u>207,597</u>	<u>16,924</u>	<u>-</u>	<u>224,789</u>
<b>Net book value</b>					
At 30 June 2015	<u>-</u>	<u>145,956</u>	<u>5,152</u>	<u>132,533</u>	<u>283,641</u>
At 30 June 2014	<u>-</u>	<u>147,356</u>	<u>4,600</u>	<u>128,079</u>	<u>280,035</u>

In accordance with Group policy, management conducted an impairment review of the Company's investments using a 5-year discounted cash flow analysis with a terminal value, assuming a weighted average cost of capital of 10.9% and growth rates of 0% to 3%. The review indicated a net impairment on shares in subsidiary undertakings of £1,400k (2014 there was a net impairment on intercompany loans, held as fixed assets, and deemed irrecoverable of £6,411k).

Loans to subsidiary and parent undertakings are unsecured, interest free and repayable after more than one year with no fixed repayment date.

A list of the Company's subsidiaries is shown in note 22.

**12 Stocks**

	2015 £ 000	2014 £ 000
Raw materials and consumables	<u>25</u>	<u>33</u>

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.

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**13 Debtors**

**Amounts due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade debtors	12,328	12,688
Other debtors	432	648
Prepayments and accrued income	7,387	2,862
Corporation tax	344	1,448
	<u>20,491</u>	<u>17,646</u>

**Amounts due after more than one year**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Deferred tax (see note 8)	<u>1,384</u>	<u>1,258</u>

**14 Creditors: Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Bank loans and overdrafts	-	3,110
Trade creditors	1,799	1,792
Other taxes and social security	1,956	2,432
Other creditors	462	964
Accruals and deferred income	19,968	21,981
	<u>24,185</u>	<u>30,279</u>

**15 Creditors: Amounts falling due after more than one year**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Amounts owed to Group undertakings	116,605	111,004
Accruals and deferred income	1,186	1,200
	<u>117,791</u>	<u>112,204</u>

The £116,605,000 loans from Parent undertakings and Subsidiary undertakings are unsecured, interest free and are not due for repayment before 1 July 2016.

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
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**16 Obligations under leases and hire purchase contracts**

**Operating lease commitments**

As at 30 June 2015 the Company had annual commitments under non-cancellable operating leases as follows:

**Operating leases which expire:**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Within one year	125	6
Within two to five years	388	355
Over five years	1,123	-
	<u>1,636</u>	<u>361</u>

**Haymarket Media Group Limited**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2015 (continued)**

**17 Called-up share capital**

	<b>30 June 2014 and 30 June 2015 £000</b>
Authorised, allotted, called up and fully paid: 274,500,500 Ordinary Shares of £1 each	<u>274,501</u>

On 28 September 2015, as part of a Group restructuring exercise, the Company capitalised reserves of £135,154,000 by issuing 135,154,000 bonus shares of £1 each. On the same date the Company undertook a capital reduction of £135,154,000 cancelling the bonus shares issued.

**18 Profit and loss account**

	<b>2014 £ 000</b>
At 1 July 2014	(59,758)
Loss for the financial year	(4,380)
Other reserve movements	<u>76</u>
At 30 June 2015	<u>(64,062)</u>

**19 Reconciliation of movement in shareholders' funds**

	<b>2015 £ 000</b>	<b>2014 £ 000</b>
At 1 July	214,743	256,080
Loss for the year	(4,380)	(41,343)
Other reserve movements during the year	<u>76</u>	<u>6</u>
At 30 June	<u>210,439</u>	<u>214,743</u>

**20 Contingent liability**

The Company has provided a financial guarantee over its borrowings and those of other Group companies (and in turn those other Group companies have guaranteed the borrowings of the Company). As at the Balance Sheet date, the borrowings under guarantee amounted to £106,465,292 (2014: £103,919,715).

**21 Pension scheme**

The principal scheme operated by the Group is a defined contribution scheme in which eligible employees participate in personal pension plans to which the Company contributes 1% - 12.5% and the employees contribute a minimum of 1% 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 2015. Details of pension costs are shown in note 2.



**Haymarket Media Group Limited**  
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**22 Ultimate parent company**

In the opinion of the Directors, the Company's ultimate Parent Company and the largest Group and smallest Group in which the company is consolidated is Haymarket Group Limited, a company incorporated in the United Kingdom and registered in England and Wales, in which the Rt. Hon. the Lord Heseltine CH and his family have the controlling interest. Copies of the Group financial statements of Haymarket Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The immediate controlling entity as at the balance sheet date was Haymarket Finance Ltd. As a result of a group reorganisation the Company's immediate parent with effect from 28 September 2015 is Haymarket Group Limited.

**Subsidiary and associated undertakings (to be completed)**

<b>Subsidiary Undertaking</b>	<b>Country where incorporated and operating</b>	<b>Percentage of equity held</b>	<b>Principal activity</b>
Haymarket Network Limited	United Kingdom	100%	Contract Publishing
Haymarket Exhibitions Limited	United Kingdom	100%	Event Organising
Windpower Monthly A/S	Denmark	100%	Magazine and Online Publishing
Haymarket Media Inc (1)	USA	100%	Magazine and Online Publishing
Haymarket Media Limited (2)	Hong Kong	100%	Magazine and Online Publishing
Haymarket Media GmbH (3)	Germany	100%	Magazine and Online Publishing
Haymarket Media Pty Ltd (3)	Australia	100%	Magazine and Online Publishing
Haymarket Media India Pvt Ltd (3)	India.	100%	Magazine and Online Publishing
Frontline Limited	United Kingdom	Ordinary 'A' shares 5% Ordinary 'C' shares 100% Ordinary 'E' shares 25% Ordinary 'F' shares 17%	Distribution of magazines

[1] Shares held by Haymarket Medical Publications Limited

[2] Shares held by Haymarket Media Asia Limited

[3] Shares held by Haymarket Worldwide Limited