

UBMG Holdings

Financial Statements

31 December 2013

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30/09/2014

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COMPANIES HOUSE

Registered No: 00152298

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Directors

Crosswall Nominees Limited
UNM Investments Limited
A Siddell

Secretary

Crosswall Nominees Limited

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office

Ludgate House
245 Blackfriars Road
London
SE1 9UY

Strategic report

Principal activity and review of the business

The principal activity of the company throughout the year continued to be that of an investment holding and group financing company on behalf of UBM plc, the ultimate parent undertaking. No change to the company's activity is expected in the foreseeable future.

In October 2013, the UBM group, which the company is a part of, underwent a reorganisation to restructure the group. As a result of the reorganisation, a number of subsidiary companies transferred their assets and liabilities to UBMG Holdings and were subsequently struck off the register of companies for England and Wales. The significant movements in the investments held by the company have been detailed in note 8.

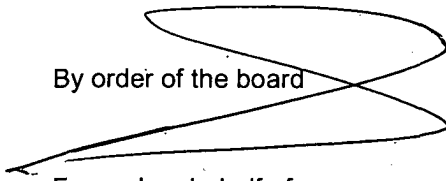
The results for the year are set out in the profit and loss account on page 8, and the directors expect that the present level of activity will be sustained for the foreseeable future.

Principal risks and uncertainties

The company has considered the impact of price risk, credit risk, liquidity risk and cash flow risk on the company and they are not deemed to have a material effect.

The company has intercompany transactions in foreign currencies. The reported balances are therefore exposed to fluctuations in the value of sterling against these currencies in which the company operates.

By order of the board


For and on behalf of
Crosswall Nominees Limited
Secretary

Date

29 SEP 2014

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 December 2013.

Results and dividends

The profit for the year, after taxation, is £14.4m (2012: £168.9m). The directors do not recommend a final dividend (2012: £nil).

Directors

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

Crosswall Nominees Limited
UNM Investments Limited
A Siddell

Directors' indemnities

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.

Laying of reports and accounts

The company has passed an elective resolution dispensing with the requirements to lay reports and accounts before the company's members in a general meeting.

Under the provisions of Sections 495 and 496 of the Companies Act 2006, a member has the right to require the reports and accounts to be laid before the company in a general meeting. The member must deposit notice of intention to exercise such right at the registered office of the company within 28 days of the date of this report.

Going concern

The directors have concluded that the overall net current liabilities at the year end represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Company has received confirmation from Tanahol Limited, a fellow group company, that it will provide the necessary funds to enable it to meet its liabilities as they fall due. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Events after the balance sheet date

There have been no significant events since 31 December 2013, which would necessitate amendment to the financial position of the company as reflected in the balance sheet on page 9.

Directors' report

Disclosure of information to the auditors

So far as each director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The company has an elective resolution in force dispensing with the requirement to reappoint auditors annually.

By order of the board



For and on behalf of
Crosswall Nominees Limited
Secretary

Date **29 SEP 2014**

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law directors have elected to prepare 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records that are sufficient to show and explain the company's transactions and 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 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 UBMG Holdings

We have audited the financial statements of UBMG Holdings for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 Strategic Report and Directors' 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 of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditor's report

to the members of UBMG Holdings

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.

Ernst & Young LLP

Christine Chua (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: *30/9/14*

Profit and loss account

for the year ended 31 December 2013

	Notes	2013 £m	2012 £m
Other operating income		1.8	8.6
Operating profit	2	1.8	8.6
Exceptional items	4	(150.2)	(66.9)
Loss on ordinary activities before interest and taxation		(148.4)	(58.3)
Interest receivable and similar income	5	188.0	239.8
Interest payable and similar charges	6	(25.2)	(12.6)
Profit on ordinary activities before taxation		14.4	168.9
Taxation	7	-	-
Retained profit for the year	13	14.4	168.9

The results stated above all relate to continuing activities.

There have been no acquisitions or discontinued operations during the year.

There are no recognised gains and losses other than the profit of £14.4m attributable to the shareholders for the year ended 31 December 2013 (2012: £168.9m).

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year above and their historical cost equivalents.

The accounting policies and the notes on pages 10 to 18 form part of these financial statements.

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Balance sheet

at 31 December 2013

	Notes	2013 £m	2012 £m
Fixed assets			
Investments	8	4,148.6	4,262.0
Current assets			
Debtors: amounts falling due within one year	9	1.1	1.1
Cash at bank and in hand		0.1	0.1
		<u>1.2</u>	<u>1.2</u>
Creditors: amounts falling due within one year	10	<u>(3,394.5)</u>	<u>(3,517.3)</u>
Net current liabilities		(3,393.3)	(3,516.1)
Total assets less current liabilities		<u>755.3</u>	<u>745.9</u>
Creditors: amounts falling due after more than one year	10	(110.0)	(115.0)
Net assets		<u>645.3</u>	<u>630.9</u>
Capital and reserves			
Called up share capital	11	8.3	8.3
Share premium account	12	161.7	161.7
Profit and loss account	12	475.3	460.9
	13	<u>645.3</u>	<u>630.9</u>

The financial statements on pages 8 to 18 were approved by the Board of Directors and were signed on its behalf by:



For and on behalf of
UNM Investments Limited
Director

Date 29 SEP 2014

Registered No: 00152298

Notes to the financial statements

at 31 December 2013

1. Accounting policies

Basis of preparation and changes in accounting standards

The financial statements have been prepared on a consistent basis with prior accounting periods.

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards.

The company has exercised its entitlement under Sections 400 to 402 of the Companies Act 2006 to dispense with the requirement to prepare group financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent. Consequently the financial statements present information about the company as an individual undertaking and not about its group.

The directors have concluded that the overall net current liabilities at the year end represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Company has received confirmation from Tanahol Limited, a fellow group company, that it will provide the necessary funds to enable it to meet its liabilities as they fall due. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of cash flows

The company has taken advantage of the exemption available under FRS 1 not to prepare a statement of cash flows on the grounds that the company is wholly owned and its ultimate parent publishes consolidated financial statements.

Investments

Investments in subsidiaries are stated at cost less any provision for impairment. The company reviews investments for impairment if events or changes in circumstances indicate that the carrying value may be impaired. The company assesses whether such indicators exist at each reporting date. Where the recoverable amount of the investment is less than the carrying amount, an impairment is recognised.

Interest and other income

Interest income and expense is recognised as interest accrues using the effective interest rate method.

Dividend income is recognised when the right to receive the payment is established.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings, to the extent that they are used to finance or provide hedge against foreign equity investments, which are taken directly to reserves together with exchange differences on the carrying amount of the related investments. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in reserves.

Notes to the financial statements

at 31 December 2013

2. Operating profit

This is stated after charging:

	2013 £m	2012 £m
Foreign exchange gains	2.0	8.9

Indirect operating costs were borne by other group companies in the year. No management fee was charged by other group companies for services in the year.

Auditor's remuneration for 2013 of £25,000 (2012: £22,500) was borne by other United Kingdom group undertakings. No amounts were paid to the auditors in respect of non-audit services.

3. Staff costs

(a) Employee information

The company had no employees in the year (2012: nil).

(b) Directors' emoluments

Emoluments for the directors of the Company are paid for by a subsidiary of the Company. The subsidiary company has not recharged any amount to the Company (2012: nil) on the basis that the amount attributable to the company is negligible.

4. Exceptional items

	2013 £m	2012 £m
<i>Charged to profit before tax</i>		
Impairment losses	150.2	66.9

Impairment losses of £150.2 (2012: £59.4m) have been recognised as detailed in note 8. The tax effect of the impairment losses was £nil.

5. Interest receivable and similar income

	2013 £m	2012 £m
Dividends received	153.5	198.1
Group interest receivable	34.5	41.7
	<u>188.0</u>	<u>239.8</u>

6. Interest payable and similar charges

	2013 £m	2012 £m
Group interest payable and similar charges	<u>25.2</u>	<u>12.6</u>

Notes to the financial statements

at 31 December 2013

7. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2013 £m	2012 £m
Current tax:		
UK corporation tax at 23.25% (2012: 24.50%)	-	-
Tax on profit on ordinary activities	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Tax on profit on ordinary activities	-	-

(b) Factors affecting the current tax charge

	2013 £m	2012 £m
Profit on ordinary activities before tax	14.4	168.9
Profit on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.50%)	3.4	41.4
Income not chargeable to tax	(35.7)	(48.5)
Expenses not deductible for tax	34.9	16.4
Group relief claimed for nil consideration	(2.6)	(9.3)
Total current tax charged (note 7(a))	-	-

(c) Factors that may affect future tax charges

The UK government has previously announced that there will be a phased decrease in the UK rate of corporation tax until it reaches 20% from 1 April 2015. Reductions to 21% from 1 April 2014 and to 20% from 1 April 2015 were enacted during 2013 and have therefore been reflected in the company's financial statements.

Notes to the financial statements

at 31 December 2013

8. Investments

	Shares in group companies £m	Loans to group companies £m	Total £m
Cost			
At 1 January 2013	41,175.3	2,243.2	43,418.5
Movement in loans	-	23.9	23.9
Additions	12.9	-	12.9
Disposals	(139.4)	-	(139.4)
At 31 December 2013	41,048.8	2,267.1	43,315.9
Amounts provided			
As at 1 January 2013	(39,156.5)	-	(39,156.5)
Impairment charges	(150.2)	-	(150.2)
Disposals	139.4	-	139.4
As at 31 December 2013	(39,167.3)	-	(39,167.3)
Net book value at 31 December 2013	1,881.5	2,267.1	4,148.6
Net book value at 1 January 2013	2,018.8	2,243.2	4,262.0

Included within loans to group companies is an amount of £1,335,380,028 (2012: £1,300,884,951) with CMPi Holdings. Interest accrues on the loan at a rate of GBP LIBOR +2% (2012: GBP LIBOR +2%). The loan is unsecured and repayable on demand.

All other amounts owed by fellow group undertakings are unsecured, interest free and repayable on demand.

During October 2013 the Company acquired the ordinary share capital of the following companies:

Name	Number of shares	Consideration
3D Events Limited	1,000 ordinary shares of £1 each	£29,496
UAP Admin No 8 Limited	3 ordinary shares of £1 each	£3
Epulse.co.uk Limited	3 ordinary shares of £1 each	£3
InteriorsUK.com Limited	3 ordinary shares of £1 each	£3
Quest Media Limited	100 ordinary shares of £1 each	£3,359,178
Listrandom Preston Investments Limited	2 ordinary shares of £1 each	£2
The Thames Gateway Forum Limited	100 ordinary shares of £1 each	£3,375,194

Notes to the financial statements

at 31 December 2013

8. Investments (continued)

During October 2013 the following companies issued new shares, which were subscribed by UBMG Holdings Limited:

<i>Name</i>	<i>Number of shares</i>	<i>Consideration</i>
UAP Admin No 8 Limited	1 ordinary share of £1 each	£793,845
Epulse.co.uk Limited	1 ordinary share of £1 each	£1,425,000
InteriorsUK.com Limited	1 ordinary share of £1 each	£2,270,000
Hugh Paul Holdings Limited	1 ordinary share of £1 each	£1,093,000
Rightrealm Limited	31 ordinary shares of £1 each	£544,660
Profitport Limited	51 ordinary shares of £1 each	£51

During October 2013, the UBM group, which the company is a part of, underwent a reorganisation to restructure the group. As a result, impairment losses of £150.2m have been recognised. The most significant impairments relate to the following investments:

<i>Company name</i>	<i>Impairment loss</i>
	<i>£m</i>
Basestore Limited	2.5
Coastalvista Limited	126.3
InteriorsUk.com Limited	2.3
Market Research Enterprises Limited	2.4
Quest Media	3.4
Rightrealm Limited	2.4
The Thames Gateway Forum Limited	3.4
Titanville Limited	2.0
TSMSi Holdings Limited	2.3

All disposed investments in 2013 were for 100% of the allotted share capital of each entity.

Notes to the financial statements

at 31 December 2013

8. Investments (continued)

At 31 December 2013, the company has investments in the following subsidiary undertakings. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
GNC Media Investments Limited	£1 ordinary shares	100%	Group financing company
UBMG Limited	£1 ordinary shares	100%	Investment holding company
United Business Information UK Limited	£1 ordinary shares	100%	Group financing company
United Finance Limited	100/1,610,542,000 pence ordinary shares	100%	Group financing company
Betterbe	£1 ordinary shares £1 preference shares	100%	Inactive company
Mills and Allen Holdings (Far East) Limited	HKD\$0 class 'B' non-voting ordinary shares HKD\$10 'A' ordinary shares	100%	Group financing company
PR Newswire Europe Limited	10p ordinary shares	100%	News Distribution Services
CX Properties	£1 ordinary shares €1.269738 ordinary shares	100%	Group financing company
Miller Freeman Online Limited	10p ordinary shares	100%	Group financing company
Miller Freeman Worldwide Limited	£1 ordinary shares	100%	Group financing company
Roamingtarget Limited	£1 ordinary shares	100%	Investment holding company
United Advertising Publications Limited	20p ordinary shares	100%	Investment holding company

In the opinion of the directors the aggregate value of the company's interest in its subsidiary undertakings is not less than the amount stated in the balance sheet.

Notes to the financial statements

at 31 December 2013

9. Debtors

	2013 £m	2012 £m
<i>Amounts falling due within one year:</i>		
Prepayments and accrued income	1.1	1.1

10. Creditors

	2013 £m	2012 £m
<i>Amounts falling due within one year:</i>		
Amounts owed to fellow group undertakings	3,393.0	3,515.8
Accruals and deferred income	1.1	1.1
Other creditors	0.4	0.4
	<u>3,394.5</u>	<u>3,517.3</u>

Amounts falling due after more than one year:

Amounts owed to fellow group undertakings	<u>110.0</u>	<u>115.0</u>
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Included within amounts owed to fellow group undertakings is an amount of £110,000,000 (2012: £115,000,000) with UBM Finance Sarl which is split into three tranches. The balance on tranche A is £10,000,000 (2012: £15,000,000), tranche B is £20,000,000 (2012: £20,000,000) and tranche C is £80,000,000 (2012: £80,000,000). Interest accrues on the loans at a fixed rate of 9.5% on tranche A (2012: fixed rate of 9.5%), GBP LIBOR +3.75% on tranche B (2012: GBP LIBOR +3.75%) and a fixed rate of 11.75% on tranche C (2012: fixed rate of 11.75%). Tranche A and B are unsecured and repayable in 2015 and Tranche C is unsecured and repayable in 2018.

All other amounts owed to fellow group undertakings are unsecured, repayable on demand and interest free.

11. Allotted and issued share capital

	2013 £m	2012 £m
<i>Allotted, called up and fully paid</i>		
24,630,383 ordinary shares of 33 ⁷¹ / ₈₈ p each (2012: 24,630,383)	8.3	8.3
20 deferred redeemable shares of 33 ⁷¹ / ₈₈ p each (2012: 20)	-	-
	<u>8.3</u>	<u>8.3</u>

Notes to the financial statements

at 31 December 2013

12. Reserves

	Share premium account £m	Profit and loss account £m
At 1 January 2013	161.7	460.9
Profit for the year	-	14.4
At 31 December 2013	<u>161.7</u>	<u>475.3</u>

13. Reconciliation of movements in shareholders funds

	2013 £m	2012 £m
Profit for the financial year	14.4	168.9
Shares issued in the year	-	63.2
	<u>14.4</u>	<u>232.1</u>
Shareholders funds at the beginning of the year	630.9	398.8
Shareholders funds at the end of the year	<u>645.3</u>	<u>630.9</u>

14. Events after the balance sheet date

There have been no material events since the balance sheet date.

15. Capital commitments

The company does not have any capital commitments (2012: £nil).

16. Contingent liabilities and guarantees

The company acts as a guarantor to the United Magazines Final Salary Scheme and United Group Pension Scheme, to guarantee an amount to bring the funding level up to 105% on the Pension Protection Fund funding basis in circumstances of an insolvency of one of the participating employers or a termination of the Schemes.

The company does not have any contingent liabilities (2012: £nil).

17. Related party transactions

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with other members of the UBM group, or investees of the group qualifying as related parties, as it is a wholly owned subsidiary of a parent publishing consolidated financial statements.

Notes to the financial statements

at 31 December 2013

18. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Maypond Limited, which is registered in Ireland.

The ultimate parent undertaking and controlling party is UBM plc registered in Jersey and resident in the United Kingdom. UBM plc is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the financial statements for UBM plc can be obtained from the secretary at Ludgate House, 245 Blackfriars Road, London, SE1 9UY.