UBM Information Limited

Financial Statements

31 December 2011



Registered No 00370721

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Directors

Crosswall Nominees Limited
UNM Investments Limited
J Risby-Rose
S Foster
P McAleenan
R Carter
A Barrick

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

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2011

Results and dividends

The loss for the year, after taxation, is £36,203,000 (2010 loss of £55,839,000) The directors do not recommend a final dividend (2010 £nil)

Principal activity and review of the business

The principal activity of the Company throughout the year continued to be the provision of business to business communication through advertising periodicals, exhibitions, digital products and the provision of media solutions No change to the Company's activity is expected in the foreseeable future

The Company operates across a range of sectors including Property, Construction, Health & Safety, Interiors, Security, Safety, Facilities, Leisure, Customer Management, Travel and Healthcare

Turnover for the year was £101 2m compared to £105 8m in 2010 and the operating loss for the year was £11 6m compared to a loss of £12 7m in 2010 Turnover on acquisitions for 2011 relates to the transfer of trade and assets from Lead-In Research Ltd and E Commerce Expo

Turnover on discontinued operations relates to the UK licensed trade portfolio, the UK entertainment and technology product portfolio and Daltons Media and its associated titles which were disposed of during 2011 and also the Agriculture and Medical assets which were disposed in March 2012

Across the Company, print products have declined by a further 9% when compared to 2010 Revenue has been hard hit by the economic conditions particularly Government cuts in public sector spending and the continued decline in print advertising revenue

Data Services and online revenues have increased by 5% as a result of the growth of virtual custom events, tablet apps and the migration of print advertising to online offerings

Events revenues have increased by 3% compared to 2010 predominantly driven by an increase in stand revenues across almost all of the major events Net square metres of space occupied at events of 161k have remained static year on year (predominantly driven by ATC and Interiors events), whilst, exhibitor numbers declined by 6% and attendee numbers grew by 33% There is also the biennial effect of running International Fire Expo in 2011 (£1 2m) and KBB in 2010 (£2 3m) A number of new events have traded in 2011 including Business in the Community and Festival of Business

Across the Company, costs have been tightly controlled through the rationalisation of portfolios, further restructuring, re-negotiation of contracts with venues and major suppliers and tight control of discretionary budgets As a result, the operating loss has reduced from £12 7m to £11 6m Exceptional items include a loss of £14 6m on the sale of print titles

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

Directors' report

Directors

The directors who served the Company during the year were as follows

Crosswall Nominees Limited
UNM Investments Limited
J Risby-Rose
S Foster
P McAleenan
R Carter
A Barrick

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

Political and charitable contributions

During the year donations to charitable causes amounted to £50 (2010 £8,506) No contributions were made for political purposes (2010 £nil)

Disabled employees

The group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job Opportunities are available to disabled employees for training, career development and promotion

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim

Employee involvement

The board recognises the value of communication with employees at all levels and this is further encouraged by various incentive and share ownership schemes Communication and information is provided to employees on the group intranet and is updated regularly

Going concern

The Company has considerable financial resources together with long standing relationships with key clients and suppliers As a consequence, the directors believe that the Company is well placed to manage its business risks successfully After making enquires, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

Directors' report

Events after the balance sheet date

On 19 March 2012, the Company disposed of its business and assets relating to the publication of Pulse magazine and Practical Commissioning newsletter to Pulse Media Ltd for £2 9m, a profit of £2 6m was recognised on disposal

On 19 March 2012, the Company disposed of its business and assets relating to the publication of Farmers Guardian, Dairy, Tractor & Machinery Showcase and Machinery in Motion to Farmers Guardian Limited for £6 7m, a profit of £6 5m was recognised on disposal

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 28 SEP 2012

Statement of directors' responsibilities

The directors are responsible for preparing the 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 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 UBM Information Limited

We have audited the financial statements of UBM Information Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 30 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 (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditor's report

to the members of UBM Information Limited

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

Les Clifford (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date 28 SEP 2012

Profit and loss account

for the year ended 31 December 2011

	Notes	2011 £'000	2010 £'000
Turnover			
Acquisitions	2	1,442	18,926
Continuing operations	2	83,425	78,406
Discontinued operations	2	16,343	8,506
Total turnover		101,210	105,838
Net operating costs	3	(112,809)	(118,588)
Operating (loss)/profit			
Acquisitions		517	7,990
Continuing operations		(13,388)	(22,001)
Discontinued operations		1,272	1,261
Total operating loss	4	(11,599)	(12,750)
Other exceptional items	5	(20,007)	(43,728)
Loss on ordinary activities before interest and taxation		(31,606)	(56,478)
Interest receivable and similar income	8	-	15,469
Interest payable and similar charges	9	(4,597)	(4,242)
Loss on ordinary activities before taxation		(36,203)	(45,251)
Taxation	10	-	(10,588)
Retained loss for the year	22	(36,203)	(55,839)

Acquisitions are detailed in note 24 Discontinued operations relate to disposals made in 2011 and also 2012 as detailed in note 25

There are no recognised gains and losses other than the loss of £36,203,000 attributable to the shareholders for the year ended 31 December 2011 (2010 loss of £55,839,000)

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

The accounting policies and the notes on pages 10 to 44 form part of these financial statements

Balance sheet

at 31 December 2011

	Notes	2011 £'000	2010 £'000
Fixed assets			
Intangible assets	11	47,427	89,576
Tangible assets	12	1,325	1,649
Debtors amounts falling due after one year	15	425	-
Investments	13	58,481	11,985
		107,658	103,210
Current assets			
Stock	14	121	174
Debtors amounts falling due within one year	15	380,105	401,643
Cash at bank and in hand		173	640
		380,399	402,457
Creditors amounts falling due within one year	16	(370,401)	(351,886)
Net current assets		9,998	50,571
Total assets less current liabilities		117,656	153,781
Provisions for liabilities and charges	18	(153)	(394)
Net assets		117,503	153,387
Capital and reserves			
Called up share capital	20	79,370	79,370
Share premium account	21	225,858	225,858
Profit and loss account	21	(187,725)	(151,841)
	22	117,503	153,387

The financial statements on pages 8 to 44 were approved by the Board of Directors and were signed on its behalf by

Director

Authorised Signatory for
UNM INVESTMENTS LIMITED
Director

Date 28 SEP 2012

Registered No 00370721

Notes to the financial statements

at 31 December 2011

1. Accounting policies

Basis of preparation and changes in accounting standards

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 financial statements have been prepared on a consistent basis with prior accounting periods except for the adoption of the following new accounting standards and amendments to existing accounting standards as issued by the Accounting Standards Board

- Amendment to FRS 25 'Financial Instruments Presentation' on the classifications of rights issues, effective 1 February 2010
- FRS 30 'Heritage assets' – heritage assets kept for their contribution to knowledge and culture, effective 1 April 2010
- Improvements to FRSs, effective 1 January 2011
    - Amendments to SSAP 25 'Segmental reporting'
    - Amendments to FRS 8 'Related party disclosures'
    - Improvements to FRS 29 'Financial instruments disclosures'
- UITF 47 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010

The adoption of the above standards and amendments has not had any impact on the financial position, performance, presentation or disclosures of the Company, except for the adoption of the amendments to SSAP 25 This amendment extends the existing exemption from making segmental disclosures to subsidiary undertakings whose parent undertaking provides segment information in accordance with IFRS As the consolidated financial statements of the parent company contain segmental disclosures in accordance with IFRS, the Company has elected as permitted under this amendment not to provide segmental disclosures in its own financial statements

The directors have prepared these financial statements on the going concern basis, in accordance with applicable accounting standards in the United Kingdom

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

Goodwill

Goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised on straight line basis over its useful economic life up to a presumed maximum of 20 years It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

If a business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Intangible assets

Intangible assets are capitalised at cost and amortised on a straight line basis over their estimated useful life as follows

Goodwill	6 – 10 years
Publishing rights	Shorter of useful life or license period
Brands	10 years
Customer contracts and relationships	1 - 10 years
Website development	3 years
Trademarks	10 years

The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses Depreciation is charged on a straight line basis over the estimated useful life of the asset as follows

Short leasehold property	Term of lease
Plant, machinery and equipment	5 – 20 years
Motor vehicles	3 – 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Investments

Investments in subsidiaries are stated at cost less provision for any impairment in value

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 investments is less than the carrying amount, an impairment is recognised

Turnover recognition

Turnover, which is stated net of discounts, VAT, and other sales related taxes, is recognised as follows

Publishing – advertising turnover is recognised on issue of the publication Turnover from subscriptions is recognised over the life of the subscription

Exhibitions – turnover is recognised when the show has been completed Deposits received in advance are recorded as deferred income in the balance sheet

Online – turnover is recognised at the point of delivery or fulfilment for single/discrete services and over the life of subscriptions for subscription services

Interest and other income

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

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Stock

Stock is stated at the lower of cost and net realisable value Cost includes all costs incurred in bringing each product to its present location and condition as follows

Raw materials, consumables and goods for resale	- purchase cost on a first-in, first-out basis

Provisions for liabilities and charges

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable, and
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

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

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term Lease incentives are recognised over the shorter of the lease term and the date of the next rent review

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Share-based payments

Employees (including directors) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights of shares ('equity settled transactions') to be issued by the ultimate parent company, UBM plc

Equity settled transactions

The cost of equity settled transactions with employees is measured by reference to the fair value of the grant date of the equity instruments granted Fair value is determined by an external valuer using an appropriate pricing model

The cost of equity settled transactions is recognised, together with a corresponding increase in equity, over the periods in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date') At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and the directors' best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or, in the case of an instrument subject to market conditions, be treated as vesting as described above The movement in cumulative expense since the previous balance sheet date is recognised in the profit and loss account, with a corresponding increase in reserves

No expense or increase in reserves is recognised for awards that do not ultimately vest Awards where vesting is conditional upon a market condition are treated as vested irrespective of whether or not the market condition is satisfied providing that all other performance conditions are satisfied

The group has taken advantage of the transitional provisions of FRS 20 in respect of equity settled awards so as to apply FRS 20 only to those equity settled awards granted after 7 November 2002 that had not vested before 1 January 2006

Pensions

The Company participates in five pension schemes in the UK of both defined benefit type, with benefits accruing based on final salary and length of service, and of defined contribution type The schemes are the United Group Pension Scheme ('UGPS', defined benefit and defined contribution), the United Magazines Final Salary Scheme ('UMFSS', defined benefit), the ABI & ICW Stakeholder Plan (defined contribution) and the Ithaca Media Group Personal Pension (defined contribution) The assets of the schemes are held in separate trustee administered funds The Company also participated in the Builder Group Pension Scheme ('BGPS', defined benefit) during 2008 until it was transferred into the UGPS in April 2008

2. Turnover and segmental analysis

The Company has elected as permitted under SSAP 25 (amended 2010) not to disclose segmental information, as it is a wholly owned subsidiary of a parent that provides segmental disclosures in accordance with IFRS In addition, the Company has not carried on substantially different businesses or supplied substantially different markets that would require disclosure under SI 2008 (paragraph 68) of the Companies Act 2006

Notes to the financial statements

at 31 December 2011

3. Net operating costs

	2011	*2010*
	£'000	*£'000*
Cost of sales	35,012	39,252
Administrative expenses	77,994	78,331
Other operating income	(210)	(340)
Exceptional items (see note 5)	13	1,345
	112,809	118,588

4. Operating loss

This is stated after charging/(crediting)

	2011	*2010*
	£'000	*£'000*
Amortisation of goodwill and other intangible fixed assets	22,158	24,196
Depreciation of tangible fixed assets	895	839
Group management charges payable	1,249	1,937
Group management charges receivable	(2,424)	(1,313)
Operating lease rentals – land and buildings	1,680	1,707
Operating lease rentals – plant and machinery	322	439
Foreign exchange losses	110	55
Profit on sale of titles	-	(14)
Loss on disposal of tangible fixed assets	5	-
Loss on disposal of intangible fixed assets	192	-

Auditor's remuneration of £13,500 (2010 £13,500) was borne by other United Kingdom group undertakings No amounts were paid to the auditors in respect of non-audit services

5. Exceptional items

	2011	*2010*
	£'000	*£'000*
Charged to operating loss		
Restructuring charge	13	1,081
Property expense provided for future costs	-	264
	13	1,345
Charged to profit before tax		
Reversal of impairment losses (note 13)	(30)	43,728
Impairment of goodwill (note 11)	5,412	-
Loss on sale of titles (note 25)	14,625	-
	20,007	43,728

Notes to the financial statements

at 31 December 2011

6. Staff costs

(a) Staff costs

	2011 £'000	*2010* £'000
Wages and salaries	31,813	32,100
Social security costs	3,660	3,348
Other pension costs	910	710
	36,383	36,158

Included in wages and salaries is a total expense for share-based payments of £319,000 (2010 £253,000) all of which arises from transactions accounted for as equity-settled share-based payment transactions

Included in other pension costs are £910,000 (2010 £710,000) in respect of the defined contribution schemes

All employees are direct employees of companies within the UBM group All staff costs are re-invoiced to the Company from group companies on a consistent basis The average monthly number of employees (including executive directors) employed by the group and recharged during the year was made up as follows

	2011 Number	*2010* Number
Administration and support	242	260
Editorial	184	200
Production and circulation	23	33
Marketing	73	76
Sales	207	233
Management	36	22
	765	824

(b) Directors' emoluments

	2011 £'000	*2010* £'000
Aggregate emoluments in respect of qualifying services	718	634
Aggregate pension contribution	36	31
Aggregate gains on exercise of share options	3	7

	2011 Number	*2010* Number
Number of directors accruing benefits under defined benefit schemes	1	1
Number of directors accruing benefits under defined contribution schemes	2	2
Number of directors who exercised share options in the year	1	1

Notes to the financial statements

at 31 December 2011

6. Staff costs (continued)

In respect of the highest paid director

	2011	*2010*
	£'000	*£'000*
Aggregate emoluments	269	232
Aggregate pension at the end of the year	12	-
Aggregate gains on exercise of share options	-	7

In 2010 the highest paid director exercised share options during the year and also received shares under the Company's Approved/Unapproved Executive Option Scheme, Performance Share Plan and Sharesave Scheme In 2011 the highest paid director did not exercise or receive share options during the year

7. Pensions

The Company participates in five pension schemes in the UK of both defined benefit type, with benefits accruing based on final salary and length of service, and of defined contribution type The schemes are the United Group Pension Scheme ('UGPS', defined benefit and defined contribution), the United Magazines Final Salary Scheme ('UMFSS', defined benefit), the ABI & ICW Stakeholder Plan (defined contribution) and the Ithaca Media Group Personal Pension (defined contribution) The assets of the schemes are held in separate trustee administered funds The Company also participated in the Builder Group Pension Scheme ('BGPS', defined benefit) during 2008 until it was transferred into the UGPS in April 2008 The assets and liabilities transferred were valued at £9,400,000 and £14,900,000 respectively

On 8 September 2010, the assets and liabilities of the OAG Pension Scheme ('OAGPS') were transferred to the UGPS The assets and liabilities transferred were valued at £14,000,000 and £15,000,000 respectively

The Company participates in the UGPS and the UMFSS with other employees in the group FRS 17 'Retirement Benefits', requires that, where possible, the pension schemes' underlying assets and liabilities are allocated to the entities sponsoring the scheme For the Company, this allocation could not be done on a consistent and reasonable basis due to the participation of other group companies in these schemes As a result, the defined benefit schemes have been accounted for as defined contribution schemes in these accounts in accordance with FRS 17 The surplus/deficit as at 31 December 2011 and related FRS 17 disclosure relating to the UK schemes of the group has been provided below

The pension cost related to the UK defined benefit schemes is assessed in accordance with the advice of independent professionally qualified actuaries using the projected unit method The projected unit credit method is an accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings The most recent actuarial valuations were carried out in 2011 for all defined benefit schemes Contributions payable are charged to the profit and loss account as they fall due under scheme rules

The UK defined benefit schemes are closed to new members, hence under the projected unit method, the current service cost (expressed as a percentage of salary) will increase as members of the scheme approach retirement

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

The Company also participates in the UGPS defined contribution pension scheme Contributions payable are charged to the profit and loss account as they fall due under the scheme rules

In 2011, the UBM group made special contributions to the UK pension schemes of £3 1m (2010 £3 1m) Letters of credit were in place during 2011, the main conditions under which they could be drawn relate to events which would imperil the interests of the scheme, such as insolvency, or the group failing to make agreed payments The value of the letters of credit issued to the scheme trustees in 2011 is £17 0m (2010 £17 0m)

In 2012, the UBM group agreed to a new schedule of contributions until July 2013 of £3 5m per annum In addition, the letters of credit were replaced with a guarantee issued by UBM plc Under the guarantee, an amount up to the value of 35% of the aggregate liability of every employer (on the basis set out in Section 318 of the Pensions Act 2004) can be demanded by the Trustee in certain circumstances This amount is subject to a minimum amount up to the lesser of £25m or the value of 100% of the aforementioned aggregate liability of every employer The circumstances that may give rise to such a payment include an insolvency event in respect of a participating employer or if any steps are taken to wind up the UGPS Scheme or any part of the UGPS Scheme

The Company's pension cost for the defined contribution and defined benefit schemes for the year ended 31 December 2011 is as follows

	2011	*2010*
	£'000	*£'000*
Pension cost	3,471	3,794

Company employees are members of these schemes as are the employees of other group companies

The financial assumptions used to calculate the present value of scheme liabilities under FRS 17 are

	2011	*2010*	*2009*
All UK Schemes	*%*	*%*	*%*
Discount rate	4 70	5 60	5 70
Retail price inflation	2 60	3 30	3 30
Consumer price inflation	1 85	2 55	n/a
Rate of increase in salaries	3 75	3 75	3 75
Future pension increases	2 60	3 20	3 20
Expected return on scheme assets			
Equities	7 50	8 70	8 90
Bonds	4 70	5 60	5 70
Gilts	3 00	4 20	4 40
Property	7 50	8 70	n/a
Diversified growth funds	7 50	-	-
Other	0 50	0 50	0 50

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

The UK Government announced in 2010 its intention to adopt consumer price inflation ('CPI') rather than retail price inflation ('RPI') for statutory minimum pension revaluations/indexation from 1 January 2011 This change impacts the UK schemes where pension revaluation is linked to the statutory minimum The reduction in liability at 31 December 2010 from applying the CPI assumption was £3 3m for the UGPS and £3 2m for the UMFSS

The mortality assumptions used at 31 December 2011 for UK schemes have been updated The life expectancy rates used are 110% of the 'SAPS' S1 tables (2010 130% of the "2000 series" standard tables) based on the year of birth of scheme members, which is currently on average 1941 for pensioners (2010 1939) and 1956 for non-pensioners (2010 1956) Allowances for future improvements in mortality rates are in line with the CMI 2010 projections with a 0 75% p a long term trend rate (2010 medium cohort with a 1% underpin) These projections allow for life expectancy to improve over time due to improvements in medical treatments and other lifestyle factors such that younger members who have not yet reached pensionable age are expected to live longer than current pensioner members

The assumed average life expectancy of current pensioner members at age 65 is 21 1 years for males and 23 3 years for females (2010 20 2 years and 22 7 years respectively) For current non-pensioner members who have not yet reached pensionable age, the assumed average life expectancy at age 65 is 22 1 years for males and 24 5 years for females (2010 22 1 years and 24 5 years respectively) The average rate of improvement underlying the standard tables is an increase of approximately 0 6 years' life expectancy in every 10 years

Additional assumptions used for valuing the UK scheme liabilities are an allowance for all non-pensioners to take 15% of pension as tax free cash upon retirement (2010 15%)

The assumed discount rate, salary increases and mortality all have a significant effect on the FRS 17 accounting valuation The following table shows the sensitivity of the valuation to changes in these assumptions

	2011	*2010*
	Impact on deficit	*Impact on deficit*
All UK Schemes	*£'000*	*£'000*
0 25 percentage point decrease to discount rate	+20,000	+20,000
0 25 percentage point increase to inflation (including pension increases linked to inflation)	+10,000	+15,000
Additional one year increase to life expectancy	+20,000	+20,000

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

(a) The assets in the scheme and actual return on assets were

UGPS	*2011*		*2010*		*2009*	
	Actual return on assets £'000	*Asset allocation %*	*Actual return on assets £'000*	*Asset allocation %*	*Actual return on assets £'000*	*Asset allocation %*
Equities		40		59		61
Bonds		4		4		11
Gilts		34		28		27
Property		10		9		-
Diversified growth funds		12		-		-
Cash		-		-		1
Total	4,400	100	22,000	100	24,700	100

UMFSS	*2011*		*2010*		*2009*	
	Actual return on assets £'000	*Asset allocation %*	*Actual return on assets £'000*	*Asset allocation %*	*Actual return on assets £'000*	*Asset allocation %*
Equities		34		49		50
Bonds		12		12		19
Gilts		34		27		28
Property		9		9		-
Insurance policies		2		2		2
Diversified growth funds		9		-		-
Cash		-		1		1
Total	6,100	100	12,600	100	12,700	100

The scheme assets do not include any shares in UBM plc (formerly United Business Media Limited) or any property occupied by UBM plc or any of its subsidiaries

The expected return on scheme assets reflects investments currently held to provide for the pension scheme liabilities as at 31 December 2011 Scheme assets chiefly consist of equity instruments and fixed income investments The expected rate of return on equities was based on expected long-term out performance of equities over government bonds of 4 5% (2010 3 5%)

The following amounts at 31 December 2011 were measured in accordance with the requirements of FRS 17, the deficit for the UMFSS and the surplus for the UGPS are accounted for in the financial statements of UBM plc Copies of those financial statements can be obtained from Ludgate House, 245 Blackfriars Road, London, SE1 9UY

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

(b) Net pension asset/(liability)

2011	*UGPS £'000*	*UMFSS £'000*
Total market value of scheme assets	208,000	129,900
Present value of scheme liabilities	(198,600)	(164,100)
Asset/(liability) in the scheme	9,400	(34,200)
Related deferred tax liability	(2,400)	-
Net pension asset/(liability)	7,000	(34,200)

2010	*UGPS £'000*	*UMFSS £'000*
Total market value of scheme assets	214,900	127,300
Present value of scheme liabilities	(203,800)	(142,000)
Asset/(liability) in the scheme	11,100	(14,700)
Related deferred tax liability	(2,900)	-
Net pension asset/(liability)	8,200	(14,700)

2009	*UGPS £'000*	*UMFSS £'000*
Total market value of scheme assets	188,800	117,800
Present value of scheme liabilities	(185,300)	(137,600)
Asset/(liability) in the scheme	3,500	(19,800)
Related deferred tax liability	(1,000)	-
Net pension asset/(liability)	2,500	(19,800)

(c) Analysis of amount charged to operating profit in respect of defined benefit scheme

2011	*UGPS £'000*	*UMFSS £'000*
Current service cost	500	-
Past service cost	-	-
	500	-
Curtailments/settlements	-	-
Disposal	-	-
Total operating charge	500	-

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

2010	*UGPS £'000*	*UMFSS £'000*
Current service cost	300	-
Past service cost	-	-
	300	-
Curtailments/settlements	1,000	-
Disposal	-	-
Total operating charge	1,300	-

2009	*UGPS £'000*	*UMFSS £'000*
Current service cost	300	100
Past service cost	-	-
	300	100
Curtailments/settlements	(300)	300
Disposal	-	-
Total operating charge	-	400

(d) Analysis of amount taken to financing income in respect of defined benefit scheme

2011	*UGPS £'000*	*UMFSS £'000*
Interest cost on pension scheme obligations	(11,100)	(7,800)
Expected return on pension scheme assets	13,200	7,800
Total financing income	2,100	-

2010	*UGPS £'000*	*UMFSS £'000*
Interest cost on pension scheme obligations	(10,400)	(7,600)
Expected return on pension scheme assets	12,800	7,700
Total financing income	2,400	100

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

2009	*UGPS £'000*	*UMFSS £'000*
Interest cost on pension scheme obligations	(9,000)	(7,500)
Expected return on pension scheme assets	10,700	7,600
Total financing income	1,700	100

(e) Reconciliation of pension scheme assets

2011	*UGPS £'000*	*UMFSS £'000*
Pension scheme assets at 1 January	214,900	127,300
Employer contributions	100	3,300
Employee contributions	200	-
Benefit payments	(11,600)	(6,800)
Actual return on assets	4,400	6,100
Pension scheme assets at 31 December	208,000	129,900

2010	*UGPS £'000*	*UMFSS £'000*
Pension scheme assets at 1 January	188,800	117,800
Employer contributions	100	3,300
Employee contributions	200	-
Benefit payments	(10,200)	(6,400)
Transfer from OAGPS	14,000	-
Actual return on assets	22,000	12,600
Pension scheme assets at 31 December	214,900	127,300

2009	*UGPS £'000*	*UMFSS £'000*
Pension scheme assets at 1 January	167,100	114,200
Employer contributions	100	3,700
Employee contributions	100	100
Benefit payments	(9,400)	(6,700)
Transfer between schemes	6,200	(6,200)
Actual return on assets	24,700	12,700
Pension scheme assets at 31 December	188,800	117,800

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

(f) Reconciliation of pension scheme liabilities

2011	*UGPS £'000*	*UMFSS £'000*
Pension scheme liabilities at 1 January	203,800	142,000
Service cost	500	-
Interest cost	11,100	7,800
Employee contributions	200	-
Benefit payments	(11,600)	(6,800)
Actuarial (gain)/loss on liabilities	(5,400)	21,100
Pension scheme liabilities at 31 December	198,600	164,100

2010	*UGPS £'000*	*UMFSS £'000*
Pension scheme liabilities at 1 January	185,300	137,600
Service cost	300	-
Interest cost	10,400	7,600
Employee contributions	200	-
Benefit payments	(10,200)	(6,400)
Transfer from OAGPS	15,000	-
Actuarial loss on liabilities	2,800	3,200
Pension scheme liabilities at 31 December	203,800	142,000

2009	*UGPS £'000*	*UMFSS £'000*
Pension scheme liabilities at 1 January	139,000	115,100
Service cost	300	100
Interest cost	9,000	7,500
Employee contributions	100	100
Benefit payments	(9,400)	(6,700)
Transfer between schemes	5,900	(5,900)
Actuarial loss on liabilities	40,400	27,400
Pension scheme liabilities at 31 December	185,300	137,600

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

(g) Analysis of amount recognised in the statement of total recognised gains and losses

2011	*UGPS £'000*	*UMFSS £'000*
Actual return less expected return on pension scheme assets	8,800	1,700
Experience (gain)/ loss arising from the scheme liabilities	(20,700)	1,700
Loss on changes in assumptions underlying the value of scheme liabilities	15,300	19,400
Actuarial loss recognised in the statement of total recognised gains and losses	3,400	22,800

2010	*UGPS £'000*	*UMFSS £'000*
Actual return less expected return on pension scheme assets	(9,200)	(4,900)
Experience loss arising from the scheme liabilities	600	500
Loss on changes in assumptions underlying the value of scheme liabilities	2,200	2,700
Actuarial gain recognised in the statement of total recognised gains and losses	(6,400)	(1,700)

2009	*UGPS £'000*	*UMFSS £'000*
Actual return less expected return on pension scheme assets	(14,000)	(5,100)
Experience loss arising from the scheme liabilities	800	1,300
Loss on changes in assumptions underlying the value of scheme liabilities	39,600	26,100
Actuarial loss recognised in the statement of total recognised gains and losses	26,400	22,300

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

(h) History of experience gains and losses

2011	*UGPS £'000*	*UMFSS £'000*
Scheme liabilities	(198,600)	(164,100)
Scheme assets	208,000	129,900
Surplus/(deficit) in pension scheme	9,400	(34,200)
Difference between the expected and actual return on scheme assets		
Amount	(8,800)	(1,700)
As a % of scheme assets at period end	(4 2%)	(1 3%)
Experience gains and losses of scheme liabilities		
Amount	20,700	(1,700)
As a % of the present value of the scheme liabilities at period end	10 4%	(1 0%)

2010	*UGPS £'000*	*UMFSS £'000*
Scheme liabilities	(203,800)	(142,000)
Scheme assets	214,900	127,300
Surplus/(deficit) in pension scheme	11,100	(14,700)
Difference between the expected and actual return on scheme assets		
Amount	9,200	4,900
As a % of scheme assets at period end	4 3%	3 8%
Experience gains and losses of scheme liabilities		
Amount	(600)	(500)
As a % of the present value of the scheme liabilities at period end	(0 3%)	(0 4%)

2009	*UGPS £'000*	*UMFSS £'000*
Scheme liabilities	(185,300)	(137,600)
Scheme assets	188,800	117,800
Surplus/(deficit) in pension scheme	3,500	(19,800)
Difference between the expected and actual return on scheme assets		
Amount	14,000	5,100
As a % of scheme assets at period end	7 4%	4 3%
Experience gains and losses of scheme liabilities		
Amount	(800)	(1,300)
As a % of the present value of the scheme liabilities at period end	(0 4%)	(0 9%)

Notes to the financial statements

at 31 December 2011

7. Pensions (continued)

2008	*UGPS £'000*	*UMFSS £'000*	*BGPS £'000*
Scheme liabilities	(139,000)	(115,100)	-
Scheme assets	167,100	114,200	-
Surplus/(deficit) in pension scheme	28,100	(900)	-
Difference between the expected and actual return on scheme assets			
Amount	(39,900)	(21,600)	(2,300)
As a % of scheme assets at period end	(23 9%)	(18 9%)	n/a
Experience gains and losses of scheme liabilities			
Amount	9,100	(2,100)	-
As a % of the present value of the scheme liabilities at period end	6 5%	(1 8%)	-

2007	*UGPS £'000*	*UMFSS £'000*	*BGPS £'000*
Scheme liabilities	(162,500)	(135,800)	(15,300)
Scheme assets	195,600	131,100	11,400
Surplus/(deficit) in pension scheme	33,100	(4,700)	(3,900)
Difference between the expected and actual return on scheme assets			
Amount	(2,100)	(2,000)	(800)
As a % of scheme assets at period end	(1 1%)	(1 5%)	(7 0%)
Experience gains and losses of scheme liabilities			
Amount	-	600	(800)
As a % of the present value of the scheme liabilities at period end	-	0 4%	(5 2%)

8. Interest receivable and similar income

	2011 £'000	*2010 £'000*
Ordinary dividends received	-	15,469

9. Interest payable and similar charges

	2011 £'000	*2010 £'000*
Group interest payable and similar charges	4,597	4,242

Notes to the financial statements

at 31 December 2011

10. Taxation

(a) Tax on loss on ordinary activities

The tax charge is made up as follows

	2011 £'000	2010 £'000
Current tax		
UK corporation tax at 26 5% (2010 28%)	-	1,765
Tax under provided in previous years	-	8,722
Foreign taxes	-	20
	-	10,507
Deferred tax		
Origination and reversal of timing differences (note 19)	-	81
Tax on loss on ordinary activities	-	10,588

(b) Factors affecting the current tax charge

	2011 £'000	2010 £'000
Loss on ordinary activities before tax	(36,203)	(45,251)
Loss on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 26 5% (2010 28%)	(9,594)	(12,670)
Expenses not deductible for tax purposes	10,922	18,862
Origination and reversal of timing differences	(72)	(87)
Income not subject to tax	(30)	(4,340)
Tax under provided in previous years	-	8,722
Foreign taxes	-	20
Group relief surrendered for nil consideration	(1,226)	-
Total current tax (note 10(a))	-	10,507

(c) Factors that may affect future tax charges

On 22 June 2010, 23 March 2011 and 21 March 2012 the UK government announced that legislation will be introduced to bring a phased decrease in the UK rate of corporation tax commencing with a reduction to 26% on 1 April 2011 followed by a 2% reduction to 24% on 1 April 2012 and then further reducing it by 1% per annum until it reaches 22% on 1 April 2014 The first rate reduction to 26% from 1 April 2011 was substantively enacted during March 2011 and the second rate reduction to 24% from 1 April 2012 was substantively enacted during March 2012 Reductions which were substantively enacted prior to the balance sheet date have been reflected in the Company's financial statements Each subsequent reduction will be reflected in the appropriate period once substantively enacted

Notes to the financial statements

at 31 December 2011

11. Intangible fixed assets

	Goodwill *£'000*	Brands *£'000*	Customer relationships *£'000*	Publishing rights *£'000*	Website development *£'000*	Total *£'000*
Cost						
At 1 January 2011	232,928	446	219	241	4,929	238,763
Additions	-	199	-	-	588	787
Acquisitions	3,927	2	-	-	-	3,929
Disposals of print titles	(38,083)	(39)			(424)	(38,546)
Other disposals	-	-	-	-	(437)	(437)
At 31 December 2011	198,772	608	219	241	4,656	204,496
Amortisation						
At 1 January 2011	145,196	174	149	134	3,534	149,187
Provided during the year	21,203	53	63	24	815	22,158
Impairment losses	5 412	-	-	-	-	5,412
Disposals of print titles	(18,980)	(8)			(306)	(19,294)
Other disposals	-	-	-	-	(394)	(394)
At 31 December 2011	152,831	219	212	158	3,649	157,069
Net book value at 31 December 2011	45,941	389	7	83	1,007	47,427
Net book value at 1 January 2011	87,732	272	70	107	1,395	89,576

Details of acquisitions and disposals are provided in notes 24 and 25 respectively

Notes to the financial statements

at 31 December 2011

12. Tangible fixed assets

	Short leasehold property £'000	*Plant, machinery and vehicles £'000*	*Total £'000*
Cost			
At 1 January 2011	587	4,397	4,984
Additions	-	576	576
Disposals	-	(55)	(55)
At 31 December 2011	587	4,918	5,505
Depreciation			
At 1 January 2011	136	3,199	3,335
Charge for the year	118	777	895
Disposals	-	(50)	(50)
At 31 December 2011	254	3,926	4,180
Net book value at 31 December 2011	333	992	1,325
Net book value at 1 January 2011	451	1,198	1,649

13. Investments

	Subsidiaries £'000
Cost	
At 1 January 2011	55,713
Additions	46,466
At 31 December 2011	102,179
Amounts provided	
At 1 January 2011	(43,728)
Reversal of impairment losses	30
At 31 December 2011	(43,698)
Net book value at 31 December 2011	58,481
Net book value at 1 January 2011	11,985

Notes to the financial statements

at 31 December 2011

13. Investments (continued)

During the year, the Company purchased the share capital of the following companies

Name of company	*Percentage of ordinary share capital purchased*	*Consideration*
International Business Events Limited	100%	£46,482,000
UBM Conferences Limited	2%	£100

The reversal of impairment losses is a result of the release of contingent consideration no longer due for investments whose carrying value was fully impaired in previous years

Following the acquisition of the trade and assets of certain companies as detailed in note 24, the carrying value of the investment held in UBM Conferences Limited was impaired to nil

Details of the investments in which the Company holds a portion of the nominal value of the share capital are as follows

Name of company	*Country of incorporation*	*Holding*	*Proportion of voting rights and shares held*	*Nature of business*
UBM Conferences Limited	England and Wales	Ordinary shares	100%	Non-trading
National Engineering Specification Limited	England and Wales	Ordinary shares	100%	Dormant
Wave Exhibitions Limited	England and Wales	Ordinary shares	100%	Dormant
The Thames Gateway Forum Limited	England and Wales	Ordinary shares	100%	Dormant
Mondo Arc Media Limited	England and Wales	Ordinary shares	100%	Dormant
Sleeper Media Limited	England and Wales	Ordinary shares	100%	Dormant
Exposure Events UK Limited	England and Wales	Ordinary shares	100%	Dormant
Bar Exhibitions Limited	England and Wales	Ordinary shares	100%	Dormant
Daltons Media Limited	England and Wales	Ordinary shares	100%	Dormant
ABI Building Data Limited	England and Wales	Ordinary shares	100%	Dormant
Ithaca Holdings Limited	England and Wales	Ordinary shares	100%	Dormant
Event Connexions Limited	England and Wales	Ordinary shares	100%	Dormant

Notes to the financial statements

at 31 December 2011

13. Investments (continued)

Name of company	*Country of incorporation*	*Holding*	*Proportion of voting rights and shares held*	*Nature of business*
Energy Events UK Limited	England and Wales	Ordinary shares	100%	Dormant
Decorex International Limited	England and Wales	Ordinary shares	100%	Dormant
E Commerce Expo Limited	England and Wales	Ordinary shares	100%	Non-trading
Lead-In Research Limited	England and Wales	Ordinary shares	100%	Non-trading
Ithaca International Media Limited	England and Wales	Ordinary Shares	100%	Non-trading
Ithaca Media Limited	England and Wales	Ordinary shares	100%	Dormant
Lightspeed Integrated Media Limited	England and Wales	Ordinary shares	100%	Non-trading
International Business Events Limited	England and Wales	Ordinary shares	100%	Events organiser
WCN 2 Limited	England and Wales	Ordinary Shares	100%	Dormant
WCN Limited	England and Wales	Ordinary Shares	100%	Non-trading

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

	2011	*2010*
	£'000	*£'000*
Historical cost		
Unlisted	58,481	11,985
Value		
Unlisted	58,481	11,985

14. Stock

	2011	*2010*
	£'000	*£'000*
Raw materials and consumables	121	174

Notes to the financial statements

at 31 December 2011

15. Debtors

	2011 £'000	2010 £'000
Amounts falling due within one year		
Trade debtors	18,519	20,053
Amounts owed by fellow group undertakings	353,313	371,982
Other debtors	169	-
Prepayments and accrued income	8,104	9,608
	380,105	401,643
Amounts falling due after more than one year		
Other debtors	425	-

Amounts owed by fellow group undertakings are unsecured, interest free and repayable on demand

16. Creditors

	2011 £'000	2010 £'000
Amounts falling due within one year		
Trade creditors	5,534	6,347
Amounts owed to fellow group undertakings	302,216	292,136
Other creditors	17,532	4,587
Corporation tax	-	1,546
Accruals and deferred income	45,119	47,270
	370,401	351,886

Included within amounts owed to fellow group undertakings is an amount of £134,353,000 in respect of an intercompany loan with Hirecorp Limited (2010 £129,803,000) Interest accrues on the loan at a rate of LIBOR + 2 5% (2010 LIBOR + 2 5%) The loan is unsecured and repayable on demand

17. Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows

	Land and buildings		*Other*	
	2011 £'000	*2010 £'000*	*2011 £'000*	*2010 £'000*
Operating leases which expire				
Within one year	279	312	6	241
In two to five years	1,398	1,398	331	115
In over five years	262	262		-
	1,939	1,972	337	356

Notes to the financial statements

at 31 December 2011

18. Provision for liabilities and charges

	Vacant properties £'000
At 1 January 2011	394
Utilised in the year	(241)
At 31 December 2011	153

Vacant property

The Company has lease obligations in respect of the continuing costs of vacant property, the quantification of which depends upon the ability to exit the leases early or sublet the properties and for dilapidations on certain leasehold properties which are dependent principally on actual reinstatement costs on expiry of the leases The provision in respect of these obligations at 31 December 2011 has been determined following external professional advice and will be utilised over the period of the leases in question, which range from one to five years The provision is discounted at an appropriate cost of capital

19. Deferred tax

Deferred tax accounted for in the financial statements and the amounts not provided are as follows

	2011		*2010*	
	Amount provided £'000	*Amount unprovided £'000*	*Amount provided £'000*	*Amount unprovided £'000*
Capital allowances in advance of depreciation	-	(629)	-	(756)
Other timing differences	-	(38)	-	(107)
	-	(667)	-	(863)

20. Allotted and issued share capital

	2011	*2010*
	£'000	*£'000*
Allotted, called up and fully paid		
317,478,953 ordinary shares of 25p each (2010 317,478,953)	79,370	79,370

Notes to the financial statements

at 31 December 2011

21. Reserves

	Share premium account £'000	*Profit and loss account £'000*
At 1 January 2011	225,858	(151,841)
Loss for the year	-	(36,203)
Share based payment	-	319
At 31 December 2011	225,858	(187,725)

As mentioned in Note 7 - Pensions, the Company participates in the UGPS and the UMFSS with other employees in the group FRS 17 'Retirement Benefits', requires that, where possible, the pension schemes' underlying assets and liabilities are allocated to the entities sponsoring the scheme For the Company, this allocation could not be done on a consistent and reasonable basis due to the participation of other group companies in these schemes As a result, the defined benefit schemes have been accounted for as defined contribution schemes in these accounts in accordance with FRS 17 If the whole of the pension schemes' underlying assets and liabilities were allocated to the Company, the effect on distributable reserves of the Company as a result of recognising the respective pension schemes' surpluses or deficits would be an increase or reduction as follows

	UGPS £'000	*UMFSS £'000*
Surplus/(deficit) in scheme at 31 December 2010	11,100	(14,700)
Surplus/(deficit) in scheme at 31 December 2011	9,400	(34,200)

22. Reconciliation of movements in shareholders funds

	2011 £'000	*2010 £'000*
Loss for the financial year	(36,203)	(55,839)
Reserve credit for share based payment schemes	319	253
	(35,884)	(55,586)
Shareholders funds at the beginning of the year	153,387	208,973
Shareholders funds at the end of the year	117,503	153,387

Notes to the financial statements

at 31 December 2011

23. Share based payments

Employees of the Company are participants in the following share-based payment schemes where the shares to be issued are provided by the ultimate parent company, UBM plc 2000 Executive Share Option Scheme, 2008 Executive Share Option Scheme, Executive Retention Plan, UK Save As You Earn Option Scheme, Medium Term Incentive Plan, Performance Share Plan and Bonus Investment Plan

Executive Share Option Scheme

On 18 April 2000 the group of the ultimate parent company established a share option program for full-time directors and certain employees Grants are no longer made under the 2000 Executive scheme

On 2 June 2008 the group of the ultimate parent company adopted the 2008 Executive Share Option Scheme (the '2008 Executive scheme') for full-time directors and certain employees All participants in the 2008 Executive scheme must be employed by UBM plc or one of its subsidiaries at the time of granting the options Options were granted for the first time under the 2008 Executive scheme in 2009 The number of options granted to a participant under the 2008 Executive scheme is at the discretion of the Remuneration Committee

Options for both schemes may be exercised after the third anniversary of the grant date subject to satisfactory completion of performance conditions Options must normally be exercised before the expiry of ten years from the date of the grant Options may be exercised earlier in the event of death or ceasing to be employed due to retirement, injury, disability or redundancy

The number of shares that may be allocated under the 2008 Executive scheme on any day cannot exceed

- 5% of the ordinary share capital of UBM plc in issue immediately before that day, when added to the aggregate of the number of shares allocated in the previous ten years under the 2008 Executive scheme and any other discretionary share plans adopted by UBM plc, and
- 10% of the ordinary share capital of UBM plc in issue immediately before that day, when added to the aggregate of the number of shares allocated in the previous ten years under the 2008 Executive scheme and all other share plans adopted by UBM plc

The exercise price to be paid by a participant when exercising options granted will be determined by the Remuneration Committee The price shall not be lower than the closing middle market price of shares of that class as listed on the London Stock Exchange Daily Official List on the day prior to the grant date or the average closing middle market price of shares of that class on the three days prior to the grant date (if so decided by the Remuneration Committee)

Share options outstanding at the end of the year have the following exercise prices

	2011	*2011*	*2010*	*2010*
Exercise price (p)	*Weighted average remaining life (years)*	*Number of shares*	*Weighted average remaining life (years)*	*Number of shares*
410 1 – 580 8	7 5	809,959	7 7	732,591
734 0	4 3	15,000	-	-

Notes to the financial statements

at 31 December 2011

23. Share based payments (continued)

Executive Retention Plan

In 2005 the group of the ultimate parent company established the Executive Retention Plan ('ERP'), for certain directors and employees All participants in the ERP must be employed by UBM plc or one of its subsidiaries at the time of granting the awards The value of awards granted to a participant under the ERP is at the discretion of the Remuneration Committee Awards are made in special circumstances to individuals as a recruitment or retention tool

The awards are made in the form of options exercisable on payment of a nominal value of £1 Options must normally be exercised before the expiry of ten years from the date of the grant Options may be exercised earlier in the event of death

Awards will generally vest after three years subject to continued employment and are generally not subject to any other performance condition

Where awards are granted as a monetary value rather than as a number of shares, the number of ordinary shares over which a monetary award is made is calculated by dividing the monetary value of the award by the price of UBM ordinary shares at the time of grant

Awards outstanding at the end of the year expiring on 11 March 2020, 31 August 2020, 11 November 2020 and 11 March 2021 were 27,500 (2010 22,500), 7,500 (2010 2,500), 5,000 (2010 5,000) and 2,500 (2010 nil) respectively

Save As You Earn Option Scheme

In May 2004, the group of the ultimate parent company established the 2004 Sharesave Scheme ('2004 SAYE') for directors and certain employees Grants are no longer made under the 2004 SAYE

In June 2008 the group of the ultimate parent company adopted the 2008 Sharesave Scheme ('2008 SAYE') for directors and certain employees Under the 2008 SAYE scheme participants must be employed by UBM plc or one of its subsidiaries at the time of granting the options Options were granted for the first time under the 2008 SAYE in 2009

The number of shares that may be allocated under the 2008 SAYE scheme on any day cannot, when added to the aggregate of the number of shares allocated in the previous ten years under the 2008 SAYE scheme and any other share plan adopted by the Group, exceed 10% of the ordinary share capital of UBM plc in issue immediately before that day

Options may be exercised after either the third, fifth or seventh anniversary of the grant date in accordance with each employee's Savings Contract Options must normally be exercised within six months of the date the options are exercisable or within 12 months in the case of death Options may be exercised earlier in the event of death, or ceasing to be employed due to retirement, injury, disability or redundancy

Share options outstanding at the end of the year have the following exercise prices

	2011	*2011*	*2010*	*2010*
Exercise price (p)	*Weighted average remaining life (years)*	*Number of shares*	*Weighted average remaining life (years)*	*Number of shares*
367 0 – 497 2	1 8	307,053	2 0	305,789
640 1	-	-	1 0	806

Notes to the financial statements

at 31 December 2011

23. Share based payments (continued)

Medium Term Incentive Plan

Only market-purchased shares may be used for awards under the Medium Term Incentive Plan ('MTIP')

The value of the MTIP award is based on a percentage of salary as determined by the Remuneration Committee each year, following assessment of the employee/group performance over the prior financial year (the performance year)

Grants are no longer made under the MTIP

Options may be exercised in two stages 50% of options may be exercised in January of the second financial year after the year in which they were granted, the remaining 50% may be exercised in January of the third financial year after the options were granted Options may only be granted subject to satisfactory completion of performance conditions Options must normally be exercised before the expiry of seven years from the date of the grant Options may be exercised earlier in the event of death or ceasing to be employed due to retirement, injury, disability or redundancy

The exercise price of the share options outstanding as at 31 December 2011 is nil (2010 nil), and the weighted average life of the share options is three years (2010 nil)

Awards outstanding at the end of the year expiring on 20 March 2015 were 1,705 (2010 nil)

Performance Share Plan

In 2005 the group of the ultimate parent company established an incentive plan for full-time directors and senior executives All participants in the Performance Share Plan ('PSP') must be employed by UBM plc or one of its subsidiaries at the time of granting the awards The value of awards granted to a participant under the PSP is at the discretion of the Remuneration Committee, but may not exceed 1 5 times base salary, save that in exceptional circumstances awards of up to 2 times base salary may be made

Grants were made during the year under the PSP to full-time directors and senior executives, which requires UBM plc's total shareholder return ('TSR') to outperform a comparator group of companies over a three year period 25% of the award will vest if TSR is at median position (subject to a maximum value of 25% of base salary) and 100% if TSR is in the top decile In between these positions, the award will vest on a straight line basis

The awards are made in the form of options exercisable on payment of a nominal value of £1 Options must be exercised before the expiry of ten years from the date of the grant

The number of ordinary shares over which an award is made is calculated by dividing the monetary value of the award by the price of UBM plc ordinary shares at the time of grant

The number of ordinary shares over which awards may be granted under the Performance Plan may not result in more than 10% of the ordinary share capital of UBM plc being issued or issuable under UBM plc 's incentive plans in any ten year period It is expected that market purchased shares will generally be used to satisfy awards under the PSP

Awards outstanding at the end of the year expiring on 31 July 2016, 27 March 2017 and 20 March 2018 were 12,500 (2010 15,500), 6,720 (2010 6,720), and nil (2010 4,369) respectively

Notes to the financial statements

at 31 December 2011

23. Share based payments (continued)

Bonus Investment Plan

In 2005 the group of the ultimate parent company established the Bonus Investment Plan ('BIP'), which replaced the SEEPP This enables participants to defer part of their annual bonus into UBM plc ordinary shares and provides the opportunity to earn further shares 25% of any annual bonus award will be automatically deferred into shares to be held for three years, and the participant may also elect to defer up to a further 25% into shares for the same period

For BIP awards made in 2011 and prior to 2010, at the end of three years if the employee remains in service with the group then the participant could receive a matching award of up to two additional shares for every share held if UBM plc's adjusted earnings per share have grown by more than an average of at least 10% (8% for awards prior to 2010) per annum above UK retail price index growth over the three year period A lower ratio of matching shares may be earned if earnings per share have grown by between 5% and 10% (3% and 8% for awards made prior to 2010) per annum above UK retail price index growth

BIP awards made in 2010 require UBM's total shareholder return ('TSR') to outperform a comparator group of companies over a three year period 25% of the award will vest if TSR is at median position (subject to a maximum value of 25% of base salary) and 100% if TSR is in the top decile In between these positions, the award will vest on a straight line basis

The number of ordinary shares which may be placed under option under the BIP depends on the monetary value of the bonus awarded to an employee during the year The amount of bonus depends upon employee/group performance over the prior financial year (the year of performance measurement) For the element which is mandatorily paid in shares, the number is calculated by dividing 25% of the monetary value of the bonus by the average December share price in the year proceeding the year of performance measurement For any further element which the employee elects to defer into shares, the number is calculated by dividing the relevant monetary value by the share price at the time of the award

Awards are made in the form of options which are exercisable on payment of a nominal £1 Options, once vested, must normally be exercised before the expiry of ten years from the date of grant Options may be exercised earlier in the event of death, or ceasing to be employed due to retirement, injury, disability or redundancy

The number of ordinary shares over which awards may be granted under the BIP may not result in more than 10% of the ordinary share capital being issued or issuable under UBM plc's incentive plans in any ten year period It is expected that market purchased shares will generally be used to satisfy awards under the BIP

Awards outstanding at the end of the year expiring 20 March 2018 were nil (2010 3,064)

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at 31 December 2011

23. Share based payments (continued)

A reconciliation of option movements over the year for all plans is as follows

	2011 Executive		*2011 SAYE*		*2011 MTIP*	
	Number of options '000s	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*
At 1 January 2011	733	487 9	307	396 4	-	-
Granted	268	580 8	126	468 5	-	-
Exercised	-	-	(67)	405 5	-	-
Expired	(299)	507 3	(56)	425 2	-	-
Transferred	123	513 3	(3)	330 5	2	-
At 31 December 2011	825	514 8	307	419 3	2	-
Exercisable at 31 December 2011	136	564 4	-	-	2	-

	2011 PSP		*2011 BIP*		2011 *ERP*	
	Number of options '000s	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*
At 1 January 2011	27	-	3	-	30	-
Granted	-	-	-	-	3	-
Exercised	(5)	-	-	-	-	-
Expired	(3)	-	(3)	-	-	-
Transferred	-	-	-	-	10	-
At 31 December 2011	19	-	-	-	43	-
Exercisable at 31 December 2011	19	-	-	-	-	-

There are periodic share option exercises throughout the year and the average UBM plc share price in 2011 was 551 2p (2010 553 3p)

Notes to the financial statements

at 31 December 2011

23. Share based payments (continued)

	2010 Executive		2010 SAYE		2010 PSP	
	Number of options '000s	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*
At 1 January 2010	918	473 4	321	405 8	171	-
Granted	279	503 8	86	428 5	-	-
Exercised	(41)	548 3	(13)	427 9	(22)	-
Expired	(113)	457 3	(87)	460 3	(89)	-
Transferred	(310)	462 5	-	-	(33)	-
At 31 December 2010	733	487 9	307	396 4	27	-
Exercisable at 31 December 2010	121	548 7	-	-	22	-

	2010 BIP		2010 ERP	
	Number of options '000s	*Weighted average exercise price (p)*	*Number of options '000s*	*Weighted average exercise price (p)*
At 1 January 2010	23	-	-	-
Granted	-	-	40	-
Exercised	(6)	-	-	-
Expired	(14)	-	-	-
Transferred	-	-	(10)	-
At 31 December 2010	3	-	30	-
Exercisable at 31 December 2010	-	-	-	-

Notes to the financial statements

at 31 December 2011

23. Share based payments (continued)

Valuation of share-based payments

Options granted under the 2008 Executive Share Option Scheme and the SAYE plans were valued using the Black-Scholes option-pricing models Nil cost options and restricted shares (excluding the PSP awards with TSR-based performance conditions) were valued based on the share price at the grant date less the value of any dividends foregone during the period to exercise The following table provides the most significant assumptions made during the year ended 31 December

	2011	*2010*
Dividend yield	5 0%	5 0%
Expected volatility	30 0%	30 0%
Risk-free rate	1 7%	1 9%
Forfeiture assumptions		
All plans excluding SAYE	5 0%	5 0%
SAYE	10 0%	10 0%
Weighted average share price at grant date		
Options	583p	516p
Nil cost options/share awards without TSR condition	592p	544p
Nil cost options/awards with TSR condition	588p	534p
Weighted average fair value at grant date		
Options	94p	82p
Nil cost options/share awards without TSR condition	478p	457p
Nil cost options/awards with TSR condition	275p	309p
Expected life	Equal to vesting period	Equal to vesting period

The expected volatility is based on management's view of future expectations and consideration of the group's historic average volatility Further details relating to the valuation of share based payments are given in note 28 in the UBM plc consolidated financial statements

Notes to the financial statements

at 31 December 2011

24. Acquisitions

The Company acquired the trade and assets of the following companies with effect from 1 January 2011

	Consideration
E Commerce Expo Limited	£1,800,000
Lead-In Research Limited	£1,450,000
UBM Conferences Limited	£100

The purchase price was allocated to the identifiable assets and liabilities acquired as detailed in the following table The book value of the assets equates to the fair value to the Company

	£'000
Assets	
Trademarks	2
Trade debtors	68
Prepayments and accrued revenue	5
Other debtors	42
Cash at bank	315
Total assets	432
Liabilities	
Trade creditors	(34)
Accruals and deferred revenue	(282)
Amounts owed to group undertakings	(675)
Corporation tax	(118)
Total liabilities	(1,109)
Net liabilities acquired	(677)
Goodwill	3,927
	3,250
Satisfied by	
Total consideration – intercompany loans and cash	3,250

Notes to the financial statements

at 31 December 2011

25. Disposals

On 15 March 2011, the Company disposed of its UK licensed trade portfolio for initial cash consideration of £1 5m and further performance-related consideration of up to £0 2m The portfolio comprises The Publican print magazine title, websites and awards event, together with the Theme and Bar Show brands A loss of £9 7m arose on disposal of the UK licensed trade portfolio, including directly attributable costs

On 29 July 2011, the Company disposed of its UK entertainment and technology product portfolio for total consideration of £2 4m The sale of the portfolio comprises Pro Sound News Europe, TVB Europe, Installation Europe and Music Week print magazine titles and related websites and events A loss of £2 5m arose on disposal, including directly attributable costs

On 30 December 2011, the Company completed the sale of the business and assets of Daltons Media and associated titles for initial cash consideration of £0 05m and further performance-related consideration of up to £0 6m A loss of £2 5m arose on disposal, including directly attributable costs

The net loss on disposal of the above titles is £14 6m, reported within the Company's operations

	All disposals 2011
	£'000
Goodwill	(19,103)
Identifiable net assets	(19,103)
Costs associated with disposal	(201)
Loss on disposal	14,625
Consideration received	4,679

26. Events after the balance sheet date

On 19 March 2012, the Company disposed of its business and assets relating to the publication of Pulse magazine and Practical Commissioning newsletter to Pulse Media Ltd for £2 9m, a profit of £2 6m was recognised on disposal

On 19 March 2012, the Company disposed of its business and assets relating to the publication of Farmers Guardian, Dairy, Tractor & Machinery Showcase and Machinery in Motion to Farmers Guardian Limited for £6 7m, a profit of £6 5m was recognised on disposal

27. Capital commitments

The Company does not have any capital commitments (2010 £nil)

Notes to the financial statements

at 31 December 2011

28. Contingent liabilities

The Company has a cap on costs within a trade agreement entered into during the ordinary course of business, the cap was exceeded and a potential liability might arise estimated at £102,000 Legal advice taken indicates that this clause may not be enforced, thereby resulting in no liability arising The Company has no other contingent liabilities (2010 £91,000)

29. 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 of a parent publishing consolidated financial statements

30. Ultimate parent undertaking and controlling party

The immediate parent undertaking is CMPI Group Limited, which is registered in England and Wales

The ultimate parent undertaking and controlling party is UBM plc, registered in Jersey and resident in Ireland 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 51-54 Pearse Street, Dublin 2, Ireland