UBM (UK) Limited

Annual report and financial statements

Registered number 00370721

31 December 2016

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Company information

Directors	C Adrian
	C Corbett
	B Grover
	UNM Investments Limited
	Crosswall Nominees Limited
	A Simm
Company secretary	Crosswall Nominees Limited
Registered office	240 Blackfriars Road London SE1 8BF
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF

Strategic report

The directors present the Strategic report of the Company for the year ended 31 December 2016.

Principal activity
The principal activity of the Company throughout the year continued to be that of the provision of business to business communications through advertising periodicals, exhibitions, digital products and the provision of media solutions.

The profit for the year is set out in the profit and loss account on page 9 and the directors expect that the present level of activity will be sustained for the foreseeable future.

Review of business
The Company operates across a range of sectors including Transport and Security. Key brands include Routes and Seatrade, both are market leaders. Routes runs events for airports and airlines and Seatrade runs cruise and general maritime events.

Turnover increased by £120,000 (0.2%). This was due to the positive bi-ennial effect of KBB, offset by declines in May Design Series, Interop and Ecobuild.

Cost of sales has fallen by £2,835,000 as there was significant portfolio management resulting in a number of low margin products closing in 2015. These include May Design Series, Interop, Safety and Health Magazine and Care Show Bournemouth. This has led to an increase in gross profit of £2,955,000 with the gross profit margin improving from 69% to 73%.

In 2016, administration expenses reduced by £12,973,000 due to lower management charges and foreign exchange gains. 2015 also included exceptional items amounting to £41,322,000 relating to impairment of investments, impairment significantly reduced in 2016.

Profit before interest and tax increased by £54,403,000 primarily due to the £41,322,000 exceptional cost in 2015 relating to impairment and £12,973,000 improvement in administration expenses. This delivered a profit before interest and tax margin of 14% in 2016 versus an loss before interest and tax margin of 60% in 2015.

The Company's debtors increased by £107,311,000, however creditors also increased by £120,494,000. This is primarily driven by intercompany loans. There was an increase in liability from retirement benefit obligation of £27,200,000 resulting in an increase in net liabilities of £40,098,000.

During the year the Company acquired the trade and assets of the Brand Licensing Europe operation from Advanstar Communications (UK) Limited and the Dubai trade and assets from Seatrade Communications Limited. Further details can be found in note 10. The Company disposed of its interest in London Technology Week and Ecobuild, Ecobuild has been treated as a discontinued operation for the year ended 31 December 2016, the comparatives have been restated. Further details can be found in note 11.

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 an overseas branch and transactions in foreign currencies. The reported balances are therefore exposed to fluctuations in the value of Sterling against these currencies in which the Company and branch operates.

The cost of providing pension benefits to existing and former employees is subject to changes in pension fund values and changing mortality. Asset returns might be insufficient to cover changes in the schemes' liabilities over time. The Group mitigates this by active management of the investment portfolio and additional contributions have been made to the UK schemes. UBM has acted to close its defined benefit schemes to new members and there are no longer any active members as at 31 August 2016.

The Company has material interest expense from group companies and this interest is charged based on LIBOR plus a margin. The reported balances are therefore subject to potential fluctuations in the LIBOR rates.

General or specific markets may deteriorate in an economic downturn resulting in consolidation of advertiser and exhibitor base. The Company continues to monitor the impact of BREXIT. It is anticipated to affect the UK construction sector. In 2016, the UK construction sector accounts for 21.6% of revenue. Risks are monitored through regular trading reviews and ongoing customer feedback.

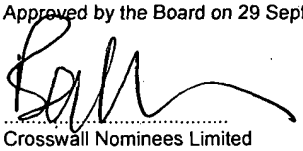
The loss of key venues through natural disaster or unsuitability has been identified as a significant business risk. The lack of suitable alternatives, availability and capacity for our events are a constant risk. The Company conducts regular venue selection process during our planning process. Contracts are reviewed and renewed on an annual basis.

As an events led business, the Company has identified a risk of event cancellation following terrorist attack, pandemic or extreme weather. This would create a risk of reputational damage.

Strategic report (continued)

Principal risks and uncertainties (continued)
The Company identifies that it operates in highly competitive markets. This creates a risk of dilution of market share from the introduction of new products or from existing competitor growth. The Company monitors this through product benchmarking, ongoing competitor analysis and regularly reviewing external market trends.

Approved by the Board on 29 September 2017 and signed on its behalf by:



Crosswall Nominees Limited
Company secretary

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2016. The comparative information included in these financial statements covers the year ended 31 December 2015.

Results and dividends
The profit for the year, after taxation, is £4,374,000 (2015: loss of £50,972,000). The directors do not recommend a final dividend for the year (2015: £nil).

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

C Adrian

C Corbett

B Grover

UNM Investments Limited

Crosswall Nominees Limited

A Simm (appointed 4 March 2016)

R Kerr (resigned 4 March 2016)

S Foster (resigned 14 November 2016)

The company secretary who served the Company during the year was as follows:

Crosswall Nominees Limited

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 Company's policy to provide continuing employment wherever practical 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.

Going concern
The directors have concluded that the overall net 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 this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

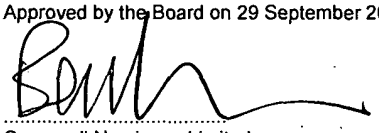
Events since the balance sheet date
There have been no material events impacting the Company's financial statements since the balance sheet date.

Future developments
No change to the Company's activity is expected in the foreseeable future.

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 enquires 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.

Directors' report (continued)

Approved by the Board on 29 September 2017 and signed on its behalf by:



Crosswall Nominees Limited
Company secretary

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping 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 (UK) Limited

We have audited the financial statements of UBM (UK) Limited for the year ended 31 December 2016, which comprise the Profit and loss account, Statement of comprehensive income, Balance sheet, Statement of changes in equity and related notes 1 to 28. 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), including FRS 101 "Reduced Disclosure Framework".

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

Respective responsibilities of directors and auditor
As explained more fully in the Statement of directors' responsibilities, 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 to the financial statements.

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

Opinion on the 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic report and Directors' report.

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

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

1 More London Place
London
SE1 2AF

Date: 29/9/17

Profit and loss account
for the year ended 31 December 2016

	Note	Continuing operations 2016 £ 000	Discontinued operations 2016 £ 000	Total 2016 £ 000	As restated Continuing operations 2015 £ 000	As restated Discontinued operations 2015 £ 000	As restated Total 2015 £ 000
Turnover	3	69,806	5,168	74,974	68,655	6,198	74,853
Cost of sales		(17,833)	(2,370)	(20,203)	(18,899)	(4,139)	(23,038)
Gross profit		51,973	2,798	54,771	49,756	2,059	51,815
Administrative expenses	4	(40,774)	(1,906)	(42,680)	(52,073)	(3,579)	(55,652)
Other operating income	5	5	-	5	2	-	2
Exceptional items	6	(1,865)	(211)	(2,076)	(41,322)	774	(40,548)
Profit/(loss) before interest and tax		9,339	681	10,020	(43,637)	(746)	(44,383)
Interest receivable and similar income	12	1	-	1	1	-	1
Interest payable and similar expenses	13	(5,650)	-	(5,650)	(6,574)	-	(6,574)
Profit/(loss) before tax		3,690	681	4,371	(50,210)	(746)	(50,956)
Taxation	14	3	-	3	(16)	-	(16)
Profit/(loss) for the financial year		3,693	681	4,374	(50,226)	(746)	(50,972)

Discontinued operations relates to the disposal of Ecobuild (2015: Leisure Industry Week and Ecobuild), details can be found in note 11.

Statement of comprehensive income for the year ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Profit/(loss) for the financial year		4,374	(50,972)
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement (losses)/gains on defined benefit pension plans	9	(43,700)	27,200
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation gains		71	-
Total comprehensive loss for the year		(39,255)	(23,772)

Balance sheet
at 31 December 2016

	Note	2016		2015	
		£ 000	£ 000	£ 000	£ 000
Fixed assets					
Intangible assets	16		9,170		9,054
Investments	17		25,895		27,795
Tangible assets	18		269		317
			35,334		37,166
Current assets					
Stocks	19	-		6	
Debtors	20	889,767		782,456	
Cash at bank and in hand		341		309	
		890,108		782,771	
Current liabilities					
Creditors: amounts falling due within one year	21	(918,598)		(798,104)	
Net current liabilities			(28,490)		(15,333)
Total assets less current liabilities			6,844		21,833
Non-current liabilities					
Deferred tax liabilities	15		-		3
Provisions	22		(900)		(2,994)
Retirement benefit obligation	9		(54,500)		(28,600)
Net liabilities			(48,556)		(9,758)
Capital and reserves					
Called up share capital	24	79,370		79,370	
Share premium account		225,858		225,858	
Profit and loss account		(353,784)		(314,986)	
Shareholders' deficit			(48,556)		(9,758)

The financial statements on pages 9 to 34 were approved by the Board on 29 September 2017 and were signed on its behalf by:



UNM Investments Limited
Director
Registered No: 00370721

Statement of changes in equity for the year ended 31 December 2016

	Called up share capital £ 000	Share premium account £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2016	79,370	225,858	(314,986)	(9,758)
Profit for the year	-	-	4,374	4,374
Other comprehensive loss	-	-	(43,629)	(43,629)
Total comprehensive loss for the year	-	-	(39,255)	(39,255)
Equity-settled share based payment transactions	-	-	457	457
At 31 December 2016	79,370	225,858	(353,784)	(48,556)

	Called up share capital £ 000	Share premium account £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2015	79,370	225,858	(291,550)	13,678
Loss for the year	-	-	(50,972)	(50,972)
Other comprehensive income	-	-	27,200	27,200
Total comprehensive loss for the year	-	-	(23,772)	(23,772)
Equity-settled share based payment transactions	-	-	336	336
At 31 December 2015	79,370	225,858	(314,986)	(9,758)

Notes to the financial statements for the year ended 31 December 2016

1 General information

The Company is a private company limited by share capital incorporated in and domiciled in England & Wales.

The address of its registered office is:
240 Blackfriars Road
London
SE1 8BF

These financial statements were approved by the Board on 29 September 2017.

The Company's functional and presentation currency is Sterling Pounds and amounts presented in the financial statements are rounded to the nearest thousand.

2 Accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, financial statements for the year ended 31 December 2016 were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2015/16 Cycle) issued in July 2015 have been adopted.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU - IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements are prepared under the historical cost basis except for derivative financial instruments and hedged items which are measured at their fair value.

The financial statements contain information about UBM (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, UBM plc, a company incorporated in Jersey.

In these financial statements, the Company has taken advantage of the following disclosure exceptions available under FRS 101:

- Cash Flow Statement and related notes;
- Comparative period reconciliation for share capital, tangible assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries of the UBM plc group;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of UBM plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of Assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by paragraph 33(c) of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operation in respect of the cash flows of discontinued operations;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods including the comparative period reconciliation for goodwill; and
- The disclosures required by IFRS 7 and IFRS 13 regarding financial instruments and fair value have not been provided apart from those which are relevant for financial instruments which are held at fair value and are not held either as part of trading portfolios or derivatives.

Notes to the financial statements for the year ended 31 December 2016 (continued)

2 Accounting policies (continued)

Basis of preparation (continued)
The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company's ultimate parent undertaking, UBM plc, includes the Company in its consolidated financial statements. The consolidated financial statements of UBM plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from www.ubm.com and 240 Blackfriars Road, London, SE1 8BF.

Significant estimates and accounting judgements
Taxation

The Company's management made the judgement not to recognise any deferred tax assets as it is uncertain that the unused tax losses will be utilised.

The tax liabilities recognised in the financial statements are measured at the directors' estimate of tax that may become payable.

Recoverability of investments/impairment calculations

On an annual basis, the Group performs an impairment assessment centrally on all subsidiary investments held by group entities. The carrying value of each investment is compared against their respective adjusted net asset value to assess whether there are indications of impairment. The adjusted net asset position takes into account the goodwill and intangible assets held by a particular statutory entity and goodwill and intangibles allocated using methods adopted by the Group. Allocation of goodwill and intangible values also involves judgement. Detailed assessments are performed either by the Group or by external advisors on the initial amounts allocated to each acquisition. This is followed by a full annual impairment assessment in September each year to ascertain that there were no subsequent material changes.

Recoverability of intercompany debtors

From a Group perspective, all intercompany debtors are deemed fully recoverable, regardless of the state of the parties involved. Whilst this is a judgement, the Group has the intention and ability to capitalise these balances should there be any doubt on the recoverability.

Provisions

Provisions are estimates and the actual cost and timing of future cash flows are dependent on future events. Management reassess the amounts of these provisions at each balance sheet date in order to ensure that they are measured at the current best estimate of expenditure required to settle the obligation at the balance sheet date.

Pensions

The measurement of retirement benefit obligation is subject to a number of significant actuarial assumptions, which are fully disclosed in note 9.

Discontinued operations
The Company disposed of its interest in London Technology Week and Ecobuild, Ecobuild has been treated as a discontinued operation for the year ended 31 December 2016, the comparatives have been restated. Further details can be found in note 11.

Foreign currency
Transactions in foreign currencies are translated to the Company's functional currency at the spot rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency rate of exchange ruling at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Notes to the financial statements for the year ended 31 December 2016 (continued)

2 Accounting policies (continued)

Intangible assets

Goodwill

Paragraph 22 of Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ('the Regulations') requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the directors, its useful economic life. However, under IFRS 3 Business Combinations goodwill is not amortised. Consequently, the company does not amortise goodwill, but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Regulations. Had the Company amortised goodwill a period of 10 years would have been chosen as the useful life for goodwill. The profit for the year would have been £810,000 lower had goodwill been amortised in the year.

Internally generated intangible assets

Expenditure on internally generated goodwill and brands is recognised in the profit and loss account as an expense as incurred.

Other intangible assets

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and impairment losses. The cost of an intangible asset acquired in a business combination is its fair value at the acquisition date.

Amortisation

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful life of the intangible asset unless such life is indefinite. The estimated useful lives are as follows:

Trademarks and brands	10 years
Software	5 years
Customer contracts and relationships	5 - 10 years
Databases	1 - 10 years
Website development costs	3 years

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Investment in subsidiaries

Investments in subsidiaries are stated at cost less provision for any impairment 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 investment is less than the carrying amount, an impairment is recognised.

Notes to the financial statements for the year ended 31 December 2016 (continued)

2 Accounting policies (continued)

Tangible assets
Property, plant and equipment are stated at cost less depreciation and impairment losses. Depreciation is provided on all plant, property and equipment except freehold land. Depreciation rates are calculated so that assets are written down to the residual value in equal annual instalments over their expected useful lives, which are as follows:

Short leasehold property	Term of lease
Plant, machinery and equipment	2 - 7 years

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the profit and loss account in the year the asset is de-recognised.

The residual values, useful lives and methods of depreciation of the assets are reviewed, and adjusted if appropriate, at each financial year end.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Stock
Stocks are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects the risks specific to the liability.

Turnover
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 receivable and Other operating income
Interest income is recognised as interest accrues using the effective interest rate method.

Exceptional items
Certain items are recognised as exceptional items since, due to their nature or infrequency, such presentation is relevant to an understanding of the Company's financial statements. These items are not part of the Company's normal ongoing operations.

Expenses
Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

Interest payable and similar expenses
Interest payable is recognised as interest accrues using the effective interest rate method.

Notes to the financial statements for the year ended 31 December 2016 (continued)

2 Accounting policies (continued)

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Company determines the net interest on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset).

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA that have maturity dates approximating the terms of the Company's obligations and that are denominated in the currency in which the benefits are expected to be paid.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Company recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

The Company is the sponsoring employer of a group wide defined benefit pension plan. As there is no contractual agreement or stated group policy for charging the net defined benefit cost of the plan to participating entities, the net defined benefit cost of the pension plan is recognised fully by the sponsoring employer, which is the Company.

Share-based payment transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for equity instruments in the ultimate parent company are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Company.

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Notes to the financial statements for the year ended 31 December 2016 (continued)

2 Accounting policies (continued)

Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

3 Turnover

	2016 £ 000	2015 £ 000
Rendering of services	69,806	68,655

The above note only discloses continuing operations.

4 Expenses and auditor's remuneration

Included within the profit and loss account are the following:

	2016 £ 000	2015 £ 000
Management charges	12,165	13,374
Depreciation expense	141	304
Amortisation expense	543	506
Foreign exchange (gains)	(3,082)	(100)
Operating lease expense - property	324	1,468
Operating lease expense - other	374	411
Loss on disposal of property, plant and equipment	-	7
	10,465	15,970

The above note only discloses continuing operations.

Auditor's remuneration for 2016 of £54,106 (2015: £52,530) was borne by other United Kingdom group undertakings. £11,000 (2015: £13,000) was paid to the auditor in respect of VAT compliance services.

5 Other operating income

	2016 £ 000	2015 £ 000
Various non trading receipts	5	-
HM Revenue & Customs incentive	-	2
	5	2

The above note only discloses continuing operations.

Notes to the financial statements for the year ended 31 December 2016 (continued)

6 Exceptional items

	2016 £ 000	2015 £ 000
Charged to operating profit/(loss)		
Acquisition costs	-	95
Investment impairment	1,900	41,227
Loss/(gain) on disposal of events and publications	176	(774)
	2,076	40,548

Net loss on disposal of events and publications for 2016 relates to a profit on disposal for London Technology Week amounting to £35,000 and a loss on disposal for Ecobuild amounting to £211,000.

Net profit on disposal of events and publications for 2015 relates to the profit on disposal of the Company's interest in Leisure Industry Week amounting to £315,000. The Company also received deferred consideration of £347,000 in relation to the 2013 disposal of Property Week and £112,000 in relation to the 2013 disposal of International Confex.

Exceptional items are split between continuing and discontinuing operations on the face of the profit and loss account.

7 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	79	110
Sales	159	173
Marketing	68	59
Editorial	84	79
Management	59	60
Production and circulation	20	16
	469	497

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £ 000	2015 £ 000
Wages and salaries	23,114	23,545
Social security costs	2,303	2,442
Contributions to defined contribution plans	773	412
(Income)/expenses related to defined benefit plans	(5,000)	1,300
Implementation of pension scheme initiatives	1,343	-
	22,533	27,699

Included in wages and salaries is a total expense of share-based payments of £457,000 (2015: £336,000) all of which arises from transactions accounted for as equity-settled share-based payment transactions.

The above note only discloses continuing operations.

Notes to the financial statements for the year ended 31 December 2016 (continued)

8 Directors' remuneration

The directors of the Company are also directors of other group subsidiaries. The total emoluments received by the directors is detailed below, all of which was paid by the Company for their services to the Group. The directors do not believe that it is practical to apportion this amount between their services as directors of the Company and their services as directors of other group subsidiaries. Amounts for annual bonus payments to directors for the year ended 31 December 2016 have already been agreed and are therefore within the current year emoluments below. Amounts for annual bonus payments to the directors for the year ended 31 December 2015 are included in the prior year emoluments below.

	2016 £ 000	2015 £ 000
Directors emoluments		
Directors remuneration	820	1,048
Company contributions to pension schemes	62	64
Exercise of share options	772	465
	1,654	1,577

During the year the number of directors who were receiving benefits and share incentives was as follows:

	Number of directors 2016	2015
Number of directors accruing benefits under money purchase pension schemes	5	4
Number of directors who exercised share options	4	4
Number of directors in respect of whom shares were received or receivable under long term incentive schemes	4	4

Highest paid director:

	2016 £ 000	2015 £ 000
Aggregate remuneration and benefits under long term incentive schemes (excluding gains on exercise of share options and value of shares received)	296	495
Company contributions to pension schemes	34	34
	330	529

During the year the highest paid director exercised share options and also received or was entitled to receive shares under a long term incentive scheme.

9 Pension and other schemes

Defined contribution pension schemes

The expense for the year for defined contribution schemes was £813,000 (2015: £453,000). Of this, £773,000 (2015: £412,000) relates to continued operations.

Defined benefit pension schemes

The Company operates a funded defined benefit and defined contribution pension scheme in the UK: the UBM Pension Scheme (UBMPS).

Notes to the financial statements for the year ended 31 December 2016 (continued)

9 Pension and other schemes (continued)

The plan is a final salary pension plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The vast majority of the liabilities in the scheme relate to members who are no longer employed by the Group but are not yet retired (deferred members), and pensions in payment. Responsibility for governance of the plans - including investment decisions and contribution schedules - lies jointly with the Company and the Board of Trustees. The Board of Trustees must comprise one-third nominated by the plan members and the remainder are appointed by the Company and can include independent appointees, in accordance with the plan's regulations.

Deferred member's benefits and pensions in payment are generally increased by a fixed amount or updated in line with inflation. Plan assets are held in Trusts and are invested in accordance with the Statement of Investment Principles.

Every three years, in accordance with legislation, the Board of Trustees reviews the level of funding of the pension plans and the level of contribution required by the group to clear the deficit. Following the 2014 funding valuation, the group agreed to make special contributions to the scheme of £2.5m per annum until June 2019. This contribution schedule remains in place until the 2017 funding valuation is finalised.

The following initiatives have taken place in the UBMPS scheme in 2016 in line with Government pension freedom flexibilities, to give members greater access to their pension:

- Pension Increase Exchange allows pensioners to exchange some of their future annual increases for a one-off uplift in pension, supported by independent financial advice. The exchange results in the scheme liabilities and deficit being reduced and a past service credit in the profit and loss account.
- Closure of the UBMPS scheme to active members from 30 August 2016: this results in a curtailment gain in 2016 and eliminates the service cost in future years.

The most recent actuarial valuations were carried out during 2014, and updated to 31 December 2016 for accounting purposes by independent qualified actuaries.

Assumptions and sensitivities

Principal actuarial assumptions used in determining pension obligations for the Company's schemes are as follows:

	UBMPS 2016 %	UBMPS 2015 %
Discount rate	2.70	3.70
Future salary increases	0.00	3.75
Weighted average pension increases	3.25	2.80
Retail price inflation	3.25	2.80
Consumer price inflation	2.25	1.80

At 31 December 2016, the discount rate is determined by discounting the estimated future cash flows using interest rates of corporate bonds with an 'AA' rating and that have terms to maturity approximate to the terms of the related pension liability.

The life expectancy rates used are 105% of the 'SAPS' S2 tables based on the year of birth of scheme members, which is currently on average 1943 for pensioners and 1958 for non-pensioners. Allowances for future improvements in mortality rates are in line with the CMI 2015 projections with a 1% p.a. long term trend rate (2015: CMI 2015 projections with 1% p.a. long term trend rate). 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 21.7 years for males and 23.8 years for females (2015: 21.7 years and 23.8 years respectively). For current non-pensioner members aged 45, the assumed average life expectancy at age 65 is 23.0 years for males and 25.3 years for females (2015: 22.9 years and 25.2 years respectively). The average rate of improvement underlying the standard tables is an increase of approximately 0.8 years' life expectancy in every 10 years (2015: 0.8 years).

Additional assumptions used for valuing the UK scheme liabilities are an allowance for all non-pensioners to take 25% of pension as tax-free cash upon retirement (2015: 25%).

The discount rate, assumes salary increases and assumes mortality all have a significant effect on the measurement of the defined benefit obligation. The sensitivity of the valuation to changes in these assumptions is as follows:

Notes to the financial statements for the year ended 31 December 2016 (continued)

9 Pension and other schemes (continued)

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
0.25% percentage point decrease to discount rate	25,000	18,700
0.25% percentage point increase to discount rate	(24,000)	(18,700)
0.25% percentage point increase to inflation (including pension increases linked to inflation)	13,000	9,700
0.25% percentage point decrease to inflation (including pension increases linked to inflation)	(13,000)	(9,700)
One year increase to life expectancy	20,000	14,500
One year decrease to life expectancy	(21,000)	(14,500)

Inflation includes the effects of RPI and CPI

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Risks and uncertainties

Plan assets are mainly invested in equities, bonds, gilts, property and diversified growth funds and are exposed to the risks outlined below:

Asset volatility
The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets under-perform this yield, this will create a deficit. The plans hold a significant proportion of equities, which are expected to outperform bonds in the long term while providing volatility and risk in the short term. The Company believes that due to the long term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity investment is an appropriate element of the Company's long term strategy to manage the plans efficiently. Some of the plan's assets are invested in Diversified Growth Funds. These funds invest in a wide range of assets including equities, bonds, commodities and cash. These actively managed funds aim to provide equity-like returns over the medium to long term, but with less volatility.

Changes in bond yields
A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk
Some of the Company pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). Within the plans' assets are some UK government bonds linked to inflation however the majority of the plans' assets are either unaffected by inflation or loosely correlated with inflation (equities), meaning that an increase in inflation will also increase the deficit.

Life expectancy risk
The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

Notes to the financial statements for the year ended 31 December 2016 (continued)

9 Pension and other schemes (continued)

Financial position

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
Fair value of plan assets	523,000	458,800
Defined benefit obligation	(577,500)	(487,400)
Net deficit in the statement of financial position	(54,500)	(28,600)

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
At 1 January	(28,600)	(56,800)
Total income/(charge) recognised in the profit and loss account	4,200	(3,200)
Net actuarial (losses)/gains recognised in the year	(43,700)	27,200
Contributions paid	13,600	4,200
At 31 December	(54,500)	(28,600)

Reconciliation of the defined benefit obligation:

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
Defined benefit obligation at 1 January	487,400	522,700
Service cost	300	500
Past service cost	(5,100)	-
Interest cost	17,500	17,400
Employee contributions	100	100
Curtailment gain	(1,000)	-
Benefit payments	(27,200)	(24,100)
Actuarial loss/(gain) on liabilities - financial assumptions	105,300	(17,100)
Actuarial loss/(gain) on liabilities - demographic assumptions	-	(6,300)
Actuarial loss/(gain) on liabilities - experience	200	(5,800)
Defined benefit obligation at 31 December	577,500	487,400

Reconciliation of the plan assets:

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
Assets at 1 January	458,800	465,900
Employer contributions	13,600	4,200
Employee contributions	100	100
Administration cost	(800)	(800)
Benefit payments	(27,200)	(24,100)
Interest income	16,700	15,500
Actual return on assets	61,800	(2,000)
Assets at 31 December	523,000	458,800

Employee contributions includes a one-off £10,000,000 contribution following the disposal of PR Newswire.

Notes to the financial statements for the year ended 31 December 2016 (continued)

9 Pension and other schemes (continued)

Assets held in the scheme, split by asset category:

	UBMPS 2016 %	UBMPS 2015 %
Equities	29	27
Gilts	3	3
Property	9	10
Annuity contracts	1	1
Illiquid credit funds	9	10
LIBOR funds	7	9
Bespoke funds (LDI)	20	19
Diversified growth funds	19	21
Cash	3	-
	100	100

The LDI fund is a unit fund invested with Legal & General, and the underlying investments include derivatives.

The illiquid credit fund is managed by M&G, with underlying investments in a variety of credit instruments.

Profit and loss account

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
Current service cost	300	500
Past service credit	(5,100)	-
Administration cost	800	800
Curtailment gain	(1,000)	-
Interest income on assets	(16,700)	(15,500)
Interest cost on benefit obligation	17,500	17,400
Total pension (credit)/charge	(4,200)	3,200

In addition to the credit above, in the year ended 31 December 2016, implementation costs of £1,343,000 relating to the pension scheme initiatives have been recognised in payroll costs.

The scheme closed to new members, hence under the projected unit credit method, the current service cost (expressed as a percentage of the salaries of the remaining members) will increase as the remaining active members of the scheme approach retirement.

Other comprehensive income/actuarial gains and losses

Actuarial gains and losses recognised in the Statement of comprehensive income:

	UBMPS 2016 £ 000	UBMPS 2015 £ 000
Actuarial (losses)/gains liabilities due to assumption changes	(105,300)	6,300
Actuarial gains and losses arising from changes in financial assumptions	-	15,100
Experience (losses)/gains on plan liabilities	(200)	5,800
Experience gains/(losses) on plan assets	61,800	-
Total (losses)/gains	(43,700)	27,200

Notes to the financial statements for the year ended 31 December 2016 (continued)

9 Pension and other schemes (continued)

Guarantees
The following guarantees to the Trustees of the UBM Pension Scheme (UBMPS) are in place:

- A guarantee from UBM plc of all present and future obligations and liabilities of the UBMPS;
- A guarantee from UBMG Holdings of all present and future obligations and liabilities of the UBMPS up to 105% of the plans' Pension Protection Fund liabilities less plan assets. This guarantee expires in 2033; and
- A guarantee from UBMi B.V. of all present and future obligations and liabilities of the UBMPS up to a maximum amount of £37 million with this cap reducing by 75 pence for every £1 of deficit contribution paid. This guarantee expires in 2023.

10 Acquisitions

On 1 October 2016, the Company acquired the trade and assets of Seatrade Communications Limited for a consideration of £780,816. This has been left outstanding as an interest free loan. The net assets of Seatrade Communications Limited were £770,214 (assets of £791,503 less liabilities of £21,290) resulting in goodwill of £10,602. The principal activity of Seatrade Communications Limited is that of an events organiser until 1 October 2016 when the Company became inactive.

On 1 November 2016, the Company acquired the trade and assets of the Brand Licensing Europe operation for a consideration of £1 and an interest free loan from the Company to Advanstar Communications (UK) Limited (the seller) of £789,216. The net liabilities of Brand Licensing Europe were £789,215 (assets of £56,260 less liabilities of £845,475) . The principal activity of the Brand Licensing Europe operation is specialised consumer services.

The fair value recognised in respect of the identifiable net assets acquired and liabilities assumed are set out in the table below:

	£ 000
Assets and liabilities acquired	
Financial assets	847
Financial liabilities	(867)
Total identifiable liabilities	(20)
Goodwill	11
Total consideration	(9)
Cash flow analysis:	
Intercompany loan	(9)

The Company incurred no acquisition costs.

On 1 January 2015, the Company acquired the UK trade and assets of Seatrade Communications Limited. The principal activity of Seatrade Communications Limited is an events organiser.

The consideration of £87,000 has been left as an interest free loan payable to Seatrade Communications Limited.

The fair value recognised in respect of the identifiable net assets acquired and liabilities assumed are as set out in the table below:

Notes to the financial statements for the year ended 31 December 2016 (continued)

10 Acquisitions (continued)

	Fair value at 1 January 2015 £ 000
Assets and liabilities acquired	
Financial assets	2,024
Stock	29
Property, plant and equipment	32
Financial liabilities	(2,048)
Total identifiable net assets	37
Goodwill	50
Total consideration	87
Satisfied by:	
Intercompany payable	87

The Company incurred no acquisition costs.

11 Disposals

On 12 August 2016, the Company disposed of its interest in London Technology Week, a UBM event, for a consideration of £50,000. The profit on disposal amounted to £35,000. On 12 December 2016, the Company also disposed of its interest in Ecobuild, which had a principal activity of UK sustainable construction shows, for a consideration of £1. The loss on disposal amounted to £211,000.

On 21 January 2015, the Company disposed of its interest in Leisure Industry Week, which had a principal activity of telecoms research, for a consideration of £415,000. The profit on disposal amounted to £315,000. The Company also received deferred consideration of £347,000 in relation to the 2013 disposal of Property Week and £112,000 in relation to the 2013 disposal of International Confex.

The aggregate effect of the disposals is set out below:

	Fair value of aggregate disposals 31 December 2016 £ 000	Fair value of aggregate disposals 31 December 2015 £ 000
Assets and liabilities disposed of:		
Trade debtors	649	40
Prepayments and accrued income	714	-
Trade creditors	(39)	-
Accruals and deferred income	(1,972)	(43)
Other creditors	(77)	-
Total identifiable net liabilities	(725)	(3)
Costs associated with disposal	51	103
Provisions	900	-
(Loss)/profit on disposal	(176)	315
Total consideration	50	415

Notes to the financial statements for the year ended 31 December 2016 (continued)

12 Interest receivable and similar income

	2016 £ 000	2015 £ 000
Interest received from group undertakings	1	1

The above note only discloses continuing operations.

13 Interest payable and similar charges

	2016 £ 000	2015 £ 000
Net interest expense on the pension liability	800	1,900
Interest on bank overdrafts and borrowings	-	3
Interest charged by group undertakings	4,850	4,671
Total interest payable and similar charges	5,650	6,574

Net interest expense on the pension liability consists of £17,500,000 (2015: £17,400,000) of interest cost on the benefit obligation offset by £16,700,000 (2015: £15,500,000) interest income on assets.

The above note only discloses continuing operations.

14 Taxation

Tax on profit of ordinary activities

	2016 £ 000	2015 £ 000
Current tax		
UK corporation tax	-	-
Foreign tax	(6)	16
Total current tax	(6)	16
Deferred tax		
Arising from origination and reversal of temporary differences	3	-
Total deferred tax	3	-
Tax on profit of ordinary activities	(3)	16

Notes to the financial statements for the year ended 31 December 2016 (continued)

14 Taxation (continued)

Reconciliation of total tax to the accounting profit

The tax expense in the profit and loss account for the year is calculated based on the rate of corporation tax in the UK of 20.00% (2015: 20.25%). The differences are reconciled below:

	2016 £ 000	2015 £ 000
Profit/(loss) before tax from continuing operations	3,693	(50,210)
Profit/(loss) before tax from discontinued operations	681	(746)
Profit/(loss) before tax	4,374	(50,956)
Tax using the UK corporation tax rate of 20.00% (2015: 20.25%)	874	(10,319)
Foreign tax	(6)	16
Capital allowances in advance of depreciation	(84)	(53)
Income not subject to tax	(2,841)	(1,007)
Expenses not deductible for tax purposes	770	9,118
Group relief surrendered for nil consideration	2,472	2,238
Pension liability	(892)	-
Provisions increased	300	23
Provisions utilised	(599)	-
Deferred tax expense relating to the origination and reversal of temporary differences	3	-
Total tax expense from continuing operations	(3)	16

Total tax expense attributable to discontinued operations is £nil.

Change in corporation tax rate

The Finance Act (No 2) 2015 was enacted on 18 November 2015 and introduced a reduction in the headline rate of UK corporation tax from the current rate of 20% to reduced rates of 19% and 18% with effect from 1 April 2017 and 1 April 2020 respectively. A further reduction in the headline rate to 17% to apply from 1 April 2020 was enacted in the Finance Act 2016 on 15 September 2016.

15 Deferred tax assets and liabilities

As at 31 December 2016, the deferred tax asset amounted to £nil (2015: £3,000).

As at 1 January 2015, the UK trade and assets of Seatrade Communications Limited were transferred to the Company. The deferred tax asset was transferred from Seatrade Communications Limited to the profit and loss account. The asset was released during 2016 and charged to the profit and loss account.

Deferred tax movement during the year:

	At 1 January 2016 £ 000	Recognised in income £ 000	At 31 December 2016 £000
Other items	3	(3)	-

Notes to the financial statements for the year ended 31 December 2016 (continued)

15 Deferred tax assets and liabilities (continued)

Deferred tax movement during the prior year:

	As restated At 1 January 2015 £ 000	Transferred on acquisition £ 000	As restated At 31 December 2015 £000
Other items	-	3	3

The Company has unrecognised deferred tax assets in relation to pension liability of £9,486,000 (2015: £5,720,000), other deductible temporary differences of £289,000 (2015: £599,000) and depreciation in advance of capital allowances of £572,000 (2015: £499,000). These deferred tax assets have not been recognised as it is uncertain that that they will be utilised.

16 Intangible assets

	Goodwill £ 000	Patents and trademarks £ 000	Development costs £ 000	Contractual customer relationships £ 000	Total £ 000
Cost					
At 1 January 2016	8,101	868	5,659	219	14,847
Additions	11	-	651	-	662
Disposals	-	(7)	(499)	-	(506)
At 31 December 2016	8,112	861	5,811	219	15,003
Amortisation and impairment					
At 1 January 2016	-	639	4,935	219	5,793
Amortisation charge for the year	-	28	515	-	543
Disposals	-	(4)	(499)	-	(503)
At 31 December 2016	-	663	4,951	219	5,833
Carrying amount					
At 31 December 2016	8,112	198	860	-	9,170
At 31 December 2015	8,101	229	724	-	9,054

Amortisation and impairment charge
The amortisation and impairment charge is recognised in the following line items in the profit and loss account:

	2016 £ 000	2015 £ 000
Administrative expenses	543	506

Notes to the financial statements for the year ended 31 December 2016 (continued)

17 Investments

	Shares in group undertakings £ 000	Total £ 000
Cost		
At 1 January 2015	116,636	116,636
Additions	153	153
At 31 December 2015	116,789	116,789
At 1 January 2016	116,789	116,789
Additions	-	-
At 31 December 2016	116,789	116,789
Impairment		
At 1 January 2015	47,767	47,767
Impairment losses	41,227	41,227
At 31 December 2015	88,994	88,994
At 1 January 2016	88,994	88,994
Impairment losses	1,900	1,900
At 31 December 2016	90,894	90,894
Carrying amount		
At 31 December 2016	25,895	25,895
At 31 December 2015	27,795	27,795

The Company has the following investments in group undertakings, associates and jointly controlled entities:

Name of subsidiary	Country of incorporation	Class of shares held	Ownership 2016	Ownership 2015
Air Cargo Management Systems Limited	England & Wales	Ordinary	100%	100%
Airport Strategy & Marketing Limited	England & Wales	Ordinary	100%	100%
ASM International Limited	England & Wales	Ordinary	100%	100%
AVNews Limited	England & Wales	Ordinary	100%	100%
Bar Exhibitions Limited	England & Wales	Ordinary	100%	100%
Daltons Media Limited	England & Wales	Ordinary and Preference	0%	100%
Decorex International Limited	England & Wales	Ordinary	100%	100%
E Commence Expo Limited	England & Wales	Ordinary	100%	100%
Energy Events UK Limited	England & Wales	Ordinary	100%	100%
Event Connexions Limited	England & Wales	Ordinary	100%	100%

Notes to the financial statements for the year ended 31 December 2016 (continued)

17 Investments (continued)

Exposure Events UK Limited	England & Wales	Ordinary	100%	100%
Insight Media Limited	England & Wales	Ordinary	100%	100%
International Business Events Limited	England & Wales	Ordinary	100%	100%
Ithaca Holdings Limited	England & Wales	Ordinary, Ordinary A and Ordinary B	100%	100%
Ithaca Media Limited	England & Wales	Ordinary	100%	100%
Lead-In Research Limited	England & Wales	Ordinary	100%	100%
Mondo Arc Media Limited	England & Wales	Ordinary	100%	100%
National Engineering Specification Limited	England & Wales	Ordinary	100%	100%
RDG Solutions Limited	England & Wales	Ordinary	100%	100%
Research Solutions For Airports Limited	England & Wales	Ordinary	100%	100%
Routes Limited	England & Wales	Ordinary	100%	100%
Seatrade Communications Limited	England & Wales	Ordinary	100%	100%
Sleeper Media Limited	England & Wales	Ordinary	100%	100%
UBM Aviation Routes Limited	England & Wales	Ordinary	100%	100%
UBM Canon Europe Limited	England & Wales	Ordinary	100%	100%
UBM Canon UK Limited	England & Wales	Ordinary	100%	100%
UBM Conferences Limited	England & Wales	Ordinary	100%	100%
Wave Exhibitions Limited	England & Wales	Ordinary	100%	100%
WCN Limited	England & Wales	Ordinary	100%	100%
WCN 2 Limited	England & Wales	Ordinary A and Ordinary B	100%	100%

The registered office of the above subsidiaries is 240 Blackfriars Road, London, SE1 8BF.

The ownership of all of the above investments is direct.

On 20 December 2016, Daltons Media Limited was dissolved, therefore, the investment no longer exists.

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 for the year ended 31 December 2016 (continued)

18 Tangible assets

	Land and buildings £ 000	Furniture and equipment £ 000	Total £ 000
Cost			
At 1 January 2016	479	3,362	3,841
Additions	50	57	107
Disposals	-	(50)	(50)
Intra group transfers	-	(1,544)	(1,544)
At 31 December 2016	529	1,825	2,354
Depreciation and impairment			
At 1 January 2016	367	3,157	3,524
Depreciation charge for the year	41	100	141
Disposals	-	(39)	(39)
Intra group transfers	-	(1,541)	(1,541)
At 31 December 2016	408	1,677	2,085
Carrying amount			
At 31 December 2016	121	148	269
At 31 December 2015	112	205	317

19 Stock

	2016 £ 000	2015 £ 000
Finished goods	-	6

20 Debtors

	2016 £ 000	2015 £ 000
Trade debtors	15,230	19,209
Amounts owed by group undertakings	870,550	749,120
Other debtors	179	1,629
Prepayments and accrued income	3,808	11,366
Social security and other taxes	-	1,132
Total trade and other debtors	889,767	782,456

Included within amounts owed by group undertakings is an amount of £nil (2015: £313,000) in respect of an intercompany loan with United Finance Limited. This loan was repaid in full in November 2016. Interest accrued on the loan at a rate of LIBOR + 2.5% (2015: LIBOR + 2.5%). The loan was unsecured and repayable on demand.

All other amounts owed by group undertakings are unsecured, interest free and repayable on demand. The carrying amounts are not different to the fair value.

Notes to the financial statements for the year ended 31 December 2016 (continued)

21 Creditors: amounts falling due within one year

	2016 £ 000	2015 £ 000
Trade creditors	4,212	5,162
Amounts owed to group undertakings	880,124	753,778
Other creditors	334	219
Accrued expenses	10,638	9,823
Deferred income	21,810	28,449
Social security and other taxes	1,477	669
Loans and borrowings	3	4
Total current trade and other creditors	918,598	798,104

Included within amounts owed to group undertakings is an amount of £154,468,000 (2015: £149,209,000) in respect of an intercompany loan with Hirecorp Limited. Interest accrues on the loan at a rate of LIBOR + 2.5% (2015: LIBOR + 2.5%). The loan is unsecured and repayable on demand.

All other amounts owed to group undertakings are unsecured, interest free and repayable on demand. The carrying amounts are not different to the fair value.

Loans and borrowings amounting to £3,000 (2015: £4,000) relates to the Company bank overdraft. The amount is unsecured.

22 Provisions

	Onerous venue costs £ 000	Onerous contract provision £ 000	Total £ 000
At 1 January 2016	-	2,994	2,994
Arising during the year	900	-	900
Utilised in the year	-	(2,994)	(2,994)
At 31 December 2016	900	-	900
Current liabilities	-	-	-
Non-current liabilities	900	-	900
At 31 December 2016	900	-	900

Onerous venue costs

Provisions made in the year with respect to onerous venue costs relate to provisions with respect to the Ecobuild disposal.

Onerous contract provision

The provision is in connection with contracts with the ExCel London Exhibition and Convention Centre. These contracts entail minimum commitments for space rentals in excess of those foreseen to be necessary which exceed the economic benefits expected to be received and which therefore have been designated as onerous contracts. The provision was determined with reference to the forecast loss on the contract for the period of the contract which expired after the event in March 2016.

Notes to the financial statements for the year ended 31 December 2016 (continued)

23 Operating lease commitments

At 31 December 2016 the Company had commitments under non-cancellable operating leases with future minimum amounts payable as set out below:

	Land and buildings		*Other*	
	2016 £ 000	**2015 £ 000**	**2016 £ 000**	**2015 £ 000**
Within one year	1,406	1,219	106	141
Later than one year and not later than five years	5,017	4,569	50	100
Later than five years	7,239	7,433	-	-
	13,662	13,221	156	241

24 Capital and reserves

Allotted, called up and fully paid shares

	No. 000	**2016 £ 000**	**No. 000**	**2015 £ 000**
Ordinary of £0.25 each	317,479	79,370	317,479	79,370

There are 317,478,953 (2015: 317,478,953) ordinary shares in issue with a nominal value of £0.25 per share.

25 Events since the balance sheet date

There have been no material events impacting the Company's financial statements since the balance sheet date.

26 Capital commitments

The total amount contracted for but not provided in the financial statements was £nil (2015: £nil).

27 Contingent arrangements

The Company does not have any contingent arrangements (2015: £nil).

28 Parent and ultimate parent undertaking

The immediate parent undertaking is CMP! Group Limited, which is registered in England & Wales.

The ultimate parent undertaking and controlling party is UBM plc (registered in Jersey and tax 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 www.ubm.com and 240 Blackfriars Road, London, SE1 8BF.