

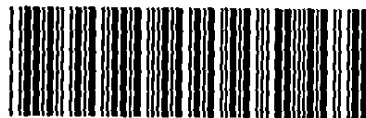
01377454

United Advertising Publications Limited

Financial Statements

31 December 2012

THURSDAY



A2ESEEZS

A12

15/08/2013

#358

COMPANIES HOUSE

United Advertising Publications Limited

Registered No 01377454

Contents	Page number
Directors' report	2 - 3
Statement of directors' responsibilities	4
Independent auditor's report	5 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 29

Directors

UNM Investments Limited
Crosswall Nominees Limited
C S Adrian
A F Crow
A C Siddell
P I Wrangmore
N J Youds

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 2012

Results and dividends

The profit for the year, after taxation, is £3,343,000 (2011 loss of £1,601,000) The directors do not recommend a final dividend (2011 £nil)

Principal activity and review of the business

The principal activity of the Company was that of a group funding vehicle

The results for the year are set out in the profit and loss account on page 7, and the directors expect that the present level of activity will be sustained for the foreseeable future

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

Principal risks and uncertainties

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

The 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

Directors

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

UNM Investments Limited

Crosswall Nominees Limited

C S Adrian

J Allen (resigned 31 March 2012)

A F Crow (appointed 1 April 2012)

A C Siddell

P I Wrankmore

N J Youds

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 £nil (2011 £nil) No contributions were made for political purposes (2011 £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

Directors' report

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

After making enquiries, 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.

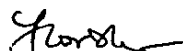
Disclosure of information to the auditors

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

12 AUG 2013

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 United Advertising Publications Limited

We have audited the financial statements of United Advertising Publications Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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 United Advertising Publications 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



Alison Duncan (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date **13 AUG 2013**

Profit and loss account

for the year ended 31 December 2012

	Notes	2012 £'000	2011 £'000
Administration expenses		-	(2)
Operating result /(loss)	2	-	(2)
Other exceptional items	3	-	(1,691)
Profit/(loss) on ordinary activities before interest and taxation		-	(1,693)
Interest receivable and similar income	6	3,343	92
Profit/(loss) on ordinary activities before taxation		3,343	(1,601)
Taxation	7	-	-
Retained profit/(loss) for the year	13	3,343	(1,601)

The results stated above all relate to continuing activities

There have been no acquisitions or discontinued operations during the year

There are no recognised gains and losses other than the profit of £3,343,000 attributable to the shareholders for the year ended 31 December 2012 (2011 loss of £1,601,000)

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

The accounting policies and the notes on pages 9 to 29 form part of these financial statements

Balance sheet

at 31 December 2012

	Notes	2012 £'000	2011 £'000
Fixed assets			
Investments	8	16,633	16,633
		<u>16,633</u>	<u>16,633</u>
Current assets			
Debtors amounts falling due within one year	9	117,451	114,101
Cash at bank and in hand		150	150
		<u>117,601</u>	<u>114,251</u>
Creditors amounts falling due within one year	10	<u>(10,043)</u>	<u>(10,036)</u>
Net current assets		107,558	104,215
Net assets		<u>124,191</u>	<u>120,848</u>
Capital and reserves			
Called up share capital	11	2,422	2,422
Share premium account	12	162	162
Profit and loss account	12	121,607	118,264
	13	<u>124,191</u>	<u>120,848</u>

The financial statements on pages 7 to 29 were approved by the Board of Directors and were signed on its behalf by



For and on behalf of
UNM Investments Limited
Director

Date **12 AUG 2013**

Registered No 01377454

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation and changes in accounting standards

The financial statements have been prepared on a consistent basis with prior accounting periods except for the adoption of the amendment to an existing accounting standard as issued by the Accounting Standards Board

- Amendment to FRS 29 (IFRS 7) Disclosures – Transfers of financial assets

The adoption of the above amendment has not had any impact on the financial position, performance, presentation or disclosures of the Company

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

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

The directors have 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

Interest and other income

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

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.

Pensions

The Company participates in one pension scheme in the UK of defined benefit type, with benefits accruing based on final salary and length of service. The scheme is the United Magazines Final Salary Scheme ('UMFSS', defined benefit). The assets of the scheme are held in separate trustee administered funds.

The Company participates in 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.

Notes to the financial statements

at 31 December 2012

2. Operating result

Auditor's remuneration for 2012 of £2,000 (2011 £2,000) was borne by other United Kingdom group undertakings. No amounts were paid to the auditors in respect of non-audit services.

3. Exceptional Items

	2012 £'000	2011 £'000
<i>Charged to profit before tax</i>		
Impairment losses on investments	-	1,691

Impairment losses have arisen as a result of an impairment review carried out on all of the Company's investments in place at the balance sheet date as detailed in note 8.

4. Staff costs

(a) Employee information

The Company had no employees in the year (2011 nil).

(b) Directors' emoluments

None of the directors received any emolument for their services to the Company during the year (2011 nil).

5. Pensions

The Company participates in one pension scheme in the UK of defined benefit type, with benefits accruing based on final salary and length of service, and of defined contribution type. The scheme is the United Magazines Final Salary Scheme ('UMFSS', defined benefit). The assets of the schemes are held in separate trustee administered funds.

The Company participates in the UMFSS with other employers 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 deficit as at 31 December 2012 and related FRS 17 disclosure relating to the UK schemes of the group has been provided below.

The pension liability related to the UK defined benefit schemes is valued by independent professionally qualified actuaries using the projected unit method. The projected unit credit

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

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 and updated to 31 December 2012 for all defined benefit schemes.

The UK schemes are 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.

In 2012, the Group agreed to make special contributions to the UK pension schemes of £3.5m per annum until January 2013. This contribution schedule remains in place until the 2014 funding valuations are finalised (expected in the first half of 2015). The Group expects that the normal contributions to be paid in 2013 will be consistent with those paid in 2012.

In March 2012, the Group agreed to replace previous letters of credit supporting scheme mergers with a guarantee for ten years issued by UBM plc to the trustees of the UGPS. Similarly, in June 2012, the Group agreed to put in place a guarantee for ten years issued by UBM plc and Wenport Limited to the trustees of the UMFSS. Under these guarantees, an amount up to the value of 35% of the aggregate liability of participating employers (on the basis set out in Section 318 of the Pensions Act 2004) could be demanded by the Trustee in certain circumstances. The main conditions under which the guarantees could be called upon relate to events which would imperil the interests of the scheme, such as insolvency, or the Group failing to make agreed payments.

The Company's pension cost for the defined contribution and defined benefit schemes for the year ended 31 December 2012 is as follows:

	2012	2011
	£'000	£'000
Pension cost	-	-

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

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

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

	2012	2011	2010
	%	%	%
All UK Schemes			
Discount rate	4.00	4.70	5.60
Retail price inflation	2.50	2.60	3.30
Consumer price inflation	1.75	1.85	2.55
Rate of increase in salaries	3.75	3.75	3.75
Future pension increases	2.70	2.60	3.20
Expected return on scheme assets			
Equities	7.50	7.50	8.70
Bonds	4.00	4.70	5.60
Gilts	3.00	3.00	4.20
Property	7.50	7.50	8.70
Diversified growth funds	7.50	7.50	-
Other	0.50	0.50	0.50

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 £3.2m for the UMFSS.

The mortality assumptions used at 31 December 2012 for UK schemes are consistent with those used for 31 December 2011. The life expectancy rates used are 110% of the 'SAPS' S1 tables based on the year of birth of scheme members, which is currently on average 1941 for pensioners and 1956 for non-pensioners. 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. 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 (2011: 21.1 years and 23.3 years respectively). For current non-pensioner members aged 45, the assumed average life expectancy at age 65 is 22.1 years for males and 24.5 years for females (2011: 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 (2011: 15%).

Plan assets mainly consist of equity instruments, gilts and diversified growth funds. The expected rate of return on equities and diversified growth funds at 31 December 2012 are based on an expected long-term out-performance of equities over government bonds of 4.5% p.a. (2011: 4.5%).

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

The discount rate, assumed salary increases and assumed 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

	2012	2011
	Impact on deficit	Impact on deficit
	£'000	£'000
All UK Schemes		
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	+10,000
Additional one year increase to life expectancy	+17,000	+20,000

The following amounts at 31 December 2012 were measured in accordance with the requirements of FRS 17, the deficit for the UMFSS is 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

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

UMFSS	2012		2011		2010	
	Actual return on assets	Asset allocation	Actual return on assets	Asset allocation	Actual return on assets	Asset allocation
	£'000	%	£'000	%	£'000	%
Equities		25		34		49
Bonds		21		12		12
Gilts		23		34		27
Property		9		9		9
Insurance policies		2		2		2
Diversified growth funds		20		9		-
Cash		-		-		1
Total	12,600	100	6,100	100	12,600	100

The scheme assets do not include any shares in UBM plc or any property occupied by UBM plc or any of its subsidiaries

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

b) Net pension liability

2012	UMFSS £'000
Total market value of scheme assets	139,700
Present value of scheme liabilities	(185,400)
Liability in the scheme	(45,700)
Related deferred tax liability	-
Net pension liability	<u>(45,700)</u>

2011	UMFSS £'000
Total market value of scheme assets	129,900
Present value of scheme liabilities	(164,100)
Liability in the scheme	(34,200)
Related deferred tax liability	-
Net pension liability	<u>(34,200)</u>

2010	UMFSS £'000
Total market value of scheme assets	127,300
Present value of scheme liabilities	(142,000)
Liability in the scheme	(14,700)
Related deferred tax liability	-
Net pension liability	<u>(14,700)</u>

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

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

2012	UMFSS £'000
Current service cost	-
Past service cost	-
	-
Curtailments/settlements	-
Disposal	-
Total operating charge	-
2011	UMFSS £'000
Current service cost	-
Past service cost	-
	-
Curtailments/settlements	-
Disposal	-
Total operating charge	-
2010	UMFSS £'000
Current service cost	-
Past service cost	-
	-
Curtailments/settlements	-
Disposal	-
Total operating charge	-

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

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

2012	UMFSS £'000
Interest cost on pension scheme obligations	(7,500)
Expected return on pension scheme assets	7,000
Total financing cost	<u>(500)</u>
2011	UMFSS £'000
Interest cost on pension scheme obligations	(7,800)
Expected return on pension scheme assets	7,800
Total financing cost	<u>-</u>
2010	UMFSS £'000
Interest cost on pension scheme obligations	(7,600)
Expected return on pension scheme assets	7,700
Total financing income	<u>100</u>

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

(e) Reconciliation of pension scheme assets

2012	UMFSS £'000
Pension scheme assets at 1 January	129,900
Employer contributions	3,600
Employee contributions	-
Benefit payments	(6,400)
Actual return on assets	12,600
Pension scheme assets at 31 December	<u>139,700</u>
 2011	 UMFSS £'000
Pension scheme assets at 1 January	127,300
Employer contributions	3,300
Employee contributions	-
Benefit payments	(6,800)
Actual return on assets	6,100
Pension scheme assets at 31 December	<u>129,900</u>
 2010	 UMFSS £'000
Pension scheme assets at 1 January	117,800
Employer contributions	3,300
Employee contributions	-
Benefit payments	(6,400)
Transfer from OAGPS	-
Actual return on assets	12,600
Pension scheme assets at 31 December	<u>127,300</u>

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

(f) Reconciliation of pension scheme liabilities

2012	UMFSS £'000
Pension scheme liabilities at 1 January	164,100
Service cost	-
Interest cost	7,500
Employee contributions	-
Benefit payments	(6,400)
Actuarial loss on liabilities	20,200
Pension scheme liabilities at 31 December	<u>185,400</u>
 2011	 UMFSS £'000
Pension scheme liabilities at 1 January	142,000
Service cost	-
Interest cost	7,800
Employee contributions	-
Benefit payments	(6,800)
Actuarial loss on liabilities	21,100
Pension scheme liabilities at 31 December	<u>164,100</u>
 2010	 UMFSS £'000
Pension scheme liabilities at 1 January	137,600
Service cost	-
Interest cost	7,600
Employee contributions	-
Benefit payments	(6,400)
Transfer from OAGPS	-
Actuarial loss on liabilities	3,200
Pension scheme liabilities at 31 December	<u>142,000</u>

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

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

2012	UMFSS £'000
Actual return less expected return on pension scheme assets	(5,600)
Experience loss/(gain) arising from the scheme liabilities	-
Loss on changes in assumptions underlying the value of scheme liabilities	20,200
Actuarial loss recognised in the statement of total recognised gains and losses	14,600
2011	UMFSS £'000
Actual return less expected return on pension scheme assets	1,700
Experience loss arising from the scheme liabilities	1,700
Loss on changes in assumptions underlying the value of scheme liabilities	19,400
Actuarial loss recognised in the statement of total recognised gains and losses	22,800
2010	UMFSS £'000
Actual return less expected return on pension scheme assets	(4,900)
Experience loss arising from the scheme liabilities	500
Loss on changes in assumptions underlying the value of scheme liabilities	2,700
Actuarial (gain)/loss recognised in the statement of total recognised gains and losses	(1,700)

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

(h) History of experience gains and losses

2012	UMFSS £'000
Scheme liabilities	(185,400)
Scheme assets	139,700
Deficit in pension scheme	(45,700)
Difference between the expected and actual return on scheme assets	
Amount	5,600
As a % of scheme assets at period end	4.0%
Experience gains and losses of scheme liabilities	
Amount	-
As a % of the present value of the scheme liabilities at period end	-
 2011	 UMFSS £'000
Scheme liabilities	(164,100)
Scheme assets	129,900
Deficit in pension scheme	(34,200)
Difference between the expected and actual return on scheme assets	
Amount	(1,700)
As a % of scheme assets at period end	(1.3%)
Experience gains and losses of scheme liabilities	
Amount	(1,700)
As a % of the present value of the scheme liabilities at period end	(1.0%)

Notes to the financial statements

at 31 December 2012

5. Pensions (continued)

2010	UMFSS £'000
Scheme liabilities	(142,000)
Scheme assets	127,300
Deficit in pension scheme	(14,700)
Difference between the expected and actual return on scheme assets	
Amount	4,900
As a % of scheme assets at period end	3.8%
Experience gains and losses of scheme liabilities	
Amount	(500)
As a % of the present value of the scheme liabilities at period end	(0.4%)
 2009	 UMFSS £'000
Scheme liabilities	(137,600)
Scheme assets	117,800
Deficit in pension scheme	(19,800)
Difference between the expected and actual return on scheme assets	
Amount	5,100
As a % of scheme assets at period end	4.3%
Experience gains and losses of scheme liabilities	
Amount	(1,300)
As a % of the present value of the scheme liabilities at period end	(0.9%)
 2008	 UMFSS £'000
Scheme liabilities	(115,100)
Scheme assets	114,200
Deficit in pension scheme	(900)
Difference between the expected and actual return on scheme assets	
Amount	(21,600)
As a % of scheme assets at period end	(18.9%)
Experience gains and losses of scheme liabilities	
Amount	(2,100)
As a % of the present value of the scheme liabilities at period end	(1.8%)

Notes to the financial statements

at 31 December 2012

6. Interest receivable and similar income

	2012 £'000	2011 £'000
Group interest receivable	<u>3,343</u>	<u>92</u>

7. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2012 £'000	2011 £'000
Current tax.		
UK corporation tax at 24.5% (2011: 26.5%)	<u>-</u>	<u>-</u>
Tax on profit / (loss) on ordinary activities	<u>-</u>	<u>-</u>

(b) Factors affecting the current tax charge

	2012 £'000	2011 £'000
Profit / (loss) on ordinary activities before tax	<u>3,343</u>	<u>(1,601)</u>
Profit / (loss) on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	819	(424)
Expenses not deductible for tax purposes	-	448
Group relief claimed for nil consideration	<u>(819)</u>	<u>(24)</u>
Total current tax charge (note 7(a))	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

The UK government has announced that there will be a phased decrease in the UK rate of corporation tax until it reaches 20% from 1 April 2015. Reductions to 24% from 1 April 2012 and to 23% from 1 April 2013 were enacted during 2011 and 2012 respectively and have therefore 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 2012

8. Investments

	<i>Investment in Subsidiaries £'000</i>
Cost	
At 1 January 2012 and 31 December 2012	<u>19,919</u>
Amounts provided	
At 1 January 2012 and 31 December 2012	<u>3,286</u>
Net book value at 1 January 2012 and 31 December 2012	<u>16,633</u>

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

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

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting rights and shares</i>	<i>Nature of business</i>
Daltons co uk Limited	Ordinary shares	100%	Dormant
MAI Luxembourg (UK) Limited	Ordinary shares	100%	Dormant
The Publican Publishing Limited	Ordinary and preferred ordinary shares	100%	Dormant
This Caring Business Limited	Ordinary shares	100%	Dormant

On 5 December 2012 the Company disposed of its interest in the ordinary share capital of Pvilas co uk Limited for a total consideration of £1

Notes to the financial statements

at 31 December 2012

9. Debtors

	2012 £'000	2011 £'000
<i>Amounts falling due within one year:</i>		
Amounts owed by fellow group undertakings	<u>117,451</u>	<u>114,101</u>

Included within amounts owed by fellow group undertakings is an amount of £104,252,350 in respect of an intercompany loan with United Finance Limited (2011 £101,053,924)

Interest accrues on the loans at a rate of LIBOR + 2% (2011 LIBOR + 2%) The loan is unsecured and repayable on demand

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

10. Creditors

	2012 £'000	2011 £'000
<i>Amounts falling due within one year:</i>		
Amounts owed to fellow group undertakings	<u>10,043</u>	<u>10,036</u>

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

11. Allotted and issued share capital

	2012 £'000	2011 £'000
<i>Allotted, called up and fully paid</i>		
12,109,268 ordinary shares of 20p each (2011 12,109,268)	<u>2,422</u>	<u>2,422</u>

Notes to the financial statements

at 31 December 2012

12. Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 January 2012	162	118,264
Profit for the year	-	3,343
At 31 December 2012	<u>162</u>	<u>121,607</u>

As mentioned in Note 5 - Pensions, the Company participates in one pension scheme of defined benefit type (the UMFSS) with other employers 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 scheme has been accounted for as a defined contribution scheme 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:

	UMFSS £'000
Surplus /(deficit) in scheme at 31 December 2012	(45,700)
Surplus /(deficit) in scheme at 31 December 2011	(34,200)

13. Reconciliation of movements in shareholders funds

	2012 £'000	2011 £'000
Profit /(loss) for the financial year	3,343	(1,601)
Shareholders funds at the beginning of the year	120,848	122,449
Shareholders funds at the end of the year	<u>124,191</u>	<u>120,848</u>

14. Events after the balance sheet date

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

15. Capital commitments

The Company does not have any capital commitments (2011: £nil).

Notes to the financial statements

at 31 December 2012

16. Contingent liabilities

The Company does not have any contingent liabilities (2011 £nil)

17. Related party transactions

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

18. Ultimate parent undertaking and controlling party

The immediate parent undertaking is UBMG Holdings, which is registered in England and Wales

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