

Ocean Media Exhibitions Limited
Annual report and financial statements
for the 52 week period ended 27 December 2009

Registered number 03546632

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Ocean Media Exhibitions Limited

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Ocean Media Exhibitions Limited

Directors and advisors

Directors

Trevor Barratt
Margaret Satchel

Company Secretary

Margaret Satchel

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Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Ocean Media Exhibitions Limited

Directors' report for the 52 week period ended 27 December 2009

The directors present their annual report and the audited financial statements of the company for the 52 week period ended 27 December 2009

Principal activities

The principal activity of the company is to act as exhibition organisers and magazine publishers. A number of trade exhibitions are organised for the bridal industry together with the publication of a number of industry magazines and newsletters to support the exhibitions. A consumer exhibition for the boat and caravan market is also organised on an annual basis. The directors expect this to continue for the foreseeable future.

Review of business, future prospects and results

The company's results for the financial period are set out in the profit and loss account on page 10.

The financial position of the company is set out on page 11.

The directors are satisfied with the trading performance of the company during the financial period. The trading performance of the company in 2010 is expected to be at similar levels to 2009, subject to no further deterioration in market and/or economic conditions. Further information is available in the consolidated financial statements of the company's parent undertaking Mercury Equity Limited.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend in respect of the 52 week period ended 27 December 2009 (2008: £nil). The retained profit for the 52 week period ended 27 December 2009 of £2,349,347 (2008: £2,169,104) has been transferred to reserves.

Going concern

The financial statements of the Company have been prepared on the going concern basis.

The Mercury Equity Limited Group is subject to a number of covenants over its borrowing facilities. Following a decline in trading during 2008 and 2009, it breached a number of its covenants over the Senior debt and Mezzanine financing.

Since 1 January 2010, the Group has continued to trade profitably, albeit in breach of its bank covenants. Trading during 2010 has stabilised, but at a level which has not enabled it to generate sufficient cash to meet all of its contractual payments of capital and interest under its banking facilities, with the result that these facilities are now repayable on demand.

Following discussions with the bank in November 2010, the bank agreed to make available an on-demand working capital facility until March 2011 in order to meet seasonal working capital requirements, and as a result the Group has continued to meet its day to day trading liabilities.

Both the bank and the directors agree that re-structuring the financing and debt within the balance sheet is essential in order to reduce the level of contractual payments under the current secured bank facilities. The Bank has confirmed in writing that it is fully committed to finding a solution to this issue at the earliest opportunity which will allow the Company to continue to trade as a going concern for the foreseeable future. The Directors anticipate that this will be concluded during the first half of 2011.

Ocean Media Exhibitions Limited

Directors' report for the 52 week period ended 27 December 2009 (continued)

Going concern (continued)

Current trading and cashflows are running in line with the latest forecasts prepared for the Company and the Group. The directors are considering a number of proposed actions and plans to enhance the working capital and performance of the Company and Group and are taking active steps to implement these as soon as possible. As a result, the directors have a reasonable expectation that the Company and the Group will continue to generate positive operating cashflows and earnings excluding existing contractual funding obligations and are confident that a suitable re-structuring of the current debt obligations will be agreed with the bank shortly.

The directors recognise the fact that the Group is currently trading outside of its banking covenants and that this represents a material uncertainty and may cast doubt on the ability of the Group and Company to continue as a going concern.

After considering the uncertainties above, and based on the Group's current financial position, projected trading, cash flows and, in particular, the ongoing support of the Group's bank, the directors have a reasonable expectation that the Company will have adequate resources to continue to operate profitably and, following a re-structuring of the Group's contractual commitments to its bank and other lenders, be able to meet all of its financial obligations as they fall due for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Therefore, these financial statements do not include any adjustments that would result if the going concern basis of preparation is inappropriate.

Strategy

The company operates in a number of well-defined media markets, with a leading position in most of its selected niche areas. The company's objective is to maximise long-term growth in the value of the company as an independent entity, as well as developing it as an exhibitions business and market-focused advertising business.

Growth in the business is expected to be achieved from the following areas:

- Digital development
- Face to face events (both exhibitions and smaller awards and conferences)

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. These risks are monitored on an ongoing basis by the executive management team who report them to the Board.

The key business risks are:

- Competition - the company has a number of well established market leading positions in different media sectors. These are highly competitive market places and require continual focus on customer needs and innovation.
- Economic growth in the UK - the company derives a significant proportion of income from advertising revenue generated in the UK. This revenue was under considerable pressure experienced during 2009 but, during the first few months of 2010 the media markets that the company operate in have shown some signs of improvements.

Ocean Media Exhibitions Limited

Directors' report for the 52 week period ended 27 December 2009 (continued)

Principal risks and uncertainties (continued)

- Accelerated online migration of recruitment, classified and display advertising revenues, mitigated by the company's development of digital income streams
- People - the company benefits from an experienced community of editors, business managers, sales executives and other professionals but faces margin exposure if sector wage costs continue to increase at above inflation rates in an environment where media spend tracks general inflation. This is considered to be a low risk at present
- Disaster recovery - the company operates from 2 sites in Canary Wharf and Coventry and has appropriate back up facilities for key data. Nevertheless it remains exposed to disruption in terms of people, data and systems from an incident affecting either of its sites
- Contractor pricing - The company is committed to a number of long term contracts with suppliers of venues where annual price increases may increase at above inflation rates. This could give rise to margin exposure in the current climate where media spend and therefore revenues track general inflation

Financial risk management

The company manages its financial risk by minimising the credit risk relating to its trade debtors, and managing cash flow in order to fund working capital requirements. The company does this by means of agreed credit control procedures including monitoring exposure to individual customers against set exposure limits, efficient and timely cash collection, and by short term cash flow forecasting. The company has no material foreign exchange risk at present.

Ocean Media Exhibitions Limited

Directors' report for the 52 week period ended 27 December 2009 (continued)

Key performance indicators

The executive management monitors and reports to the Board on a number of financial key performance indicators. These are summarised in the table below. Performance during the period to 27 December 2009 was in line with expectations.

Key Performance Indicator	52 week period to 27 December 2009	Narrative
	£	
EBITDA	2,582,371	Group operating profit, adding back depreciation and amortisation. EBITDA for the period was in line with the Board's expectations.
Turnover	6,948,182	Extracted from the financial statements. Turnover for the period was in line with the Board's expectations.
Gross profit	2,605,991	Extracted from the financial statements. Gross profit for the period was in line with the Board's expectations.

Key Performance Indicator	52 week period to 28 December 2008	Narrative
	£	
EBITDA	2,434,772	Group operating profit, adding back depreciation and amortisation. EBITDA for the period was in line with the Board's expectations.
Turnover	7,290,015	Extracted from the financial statements. Turnover for the period was in line with the Board's expectations.
Gross profit	2,456,698	Extracted from the financial statements. Gross profit for the period was in line with the Board's expectations.

Ocean Media Exhibitions Limited

Directors' report for the 52 week period ended 27 December 2009 (continued)

Post balance sheet events

On 5 November 2010, the shareholders of Mercury Equity Limited signed various agreements whereby they agreed to certain undertakings in favour of the bank that, in substance, confirm that they will not act in any way that would limit the bank's ability to realise value from the Group's assets or companies

Further details of these events can be found in Note 18 to the financial statements

Directors' and officers' liability insurance

During the period, the company has maintained cover for its directors and officers under a directors' and officers' liability insurance policy and the Third Party indemnity was in force during the financial year and also at the date of approval of the financial statements

Directors

The directors who held office during the 52 week period and up to the date of signing the financial statements are given below

Trevor Barratt

Margaret Satchel (also Company Secretary)

Directors' responsibilities statement

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Ocean Media Exhibitions Limited

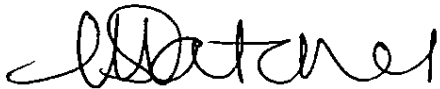
Directors' report for the 52 week period ended 27 December 2009 (continued)

Statement of disclosure of information to auditors

In the case of each of the persons who held office as directors at the time when the report is approved under section 418 of the Companies Act 2006 confirm the following applies

- a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- b) each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Approved by the Board of Directors and signed by order of the Board



Margaret Satchel
Company Secretary

2 December 2010

Ocean Media Exhibitions Limited

Independent auditors' report to the members of Ocean Media Exhibitions Limited

We have audited the financial statements of Ocean Media Exhibitions Limited for the 52 week period ended 27 December 2009 which comprise as the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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.

Qualified opinion arising from the failure to produce consolidated financial statements

As explained in note 1 to the financial statements, the company is not entitled to the exemption from the requirement to produce consolidated financial statements under Section 400 of the Companies Act 2006, as it has not met all of the necessary conditions. Consequently, the company should have produced consolidated financial statements for the parent company and its subsidiary undertakings.

Except for the failure to produce consolidated financial statements, in our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 27 December 2009 and of its profit for the period 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 period for which the financial statements are prepared is consistent with the financial statements.

Ocean Media Exhibitions Limited

Independent auditors' report to the members of Ocean Media Exhibitions Limited (continued)

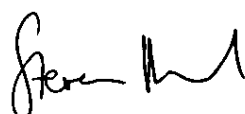
Matters on which we are required to report by exception

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

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

Emphasis of Matter – Going Concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Company's ability to continue as a going concern. As at 27 December 2009, the Company held significant receivable and payable balances with other Group companies within Mercury Equity Limited group and is dependent upon those companies settling their debts in part or in full when due or on demand and not calling in payable balances without the Company having access to further funding to remain in a net asset position. In light of current trading levels, the consolidated accounts of Mercury Equity Limited reflect a material uncertainty related to the Group's banking facilities, to which Ocean Media Exhibitions Limited is a guarantor. These facilities are now repayable on demand due to breaches of covenants and failures to meet contractual capital and interest payments during 2010. Due to these events the bank could require repayment of its borrowings and/or trigger obligations under the cross-guarantees, which may limit the ability of other group companies to settle their liabilities, including those due to the Company and may also result in the Company's intercompany payables being called in. This represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.



Steven Kentish (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

3 December 2010

Ocean Media Exhibitions Limited

Profit and loss account for the 52 week period ended 27 December 2009

	Note	52 week period ended 2009	52 week period ended 2008
		£	£
Turnover	2	6,948,182	7,290,015
Cost of sales		(4,342,191)	(4,833,317)
Gross profit		2,605,991	2,456,698
Distribution costs		(23,620)	(21,926)
Administrative expenses		(266,667)	(266,667)
Operating profit	3	2,315,704	2,168,105
Tax on profit on ordinary activities	5	33,643	999
Profit for the financial period	11	2,349,347	2,169,104

All results arose from continuing operations

There were no recognised gains or losses other than the profit for the current and prior financial period. Accordingly, no statement of total recognised gains and losses has been presented.

There is no difference between the reported profit on ordinary activities before taxation and the profit for the 52 week financial periods stated above and their historical cost equivalents.

Ocean Media Exhibitions Limited

Balance sheet as at 27 December 2009

	Note	2009 £	2008 £
Fixed assets			
Intangible assets	6	3,077,777	3,344,444
Investments	7	54,039	-
		3,131,816	3,344,444
Current assets			
Debtors	8	9,468,544	6,501,663
		9,468,544	6,501,663
Creditors: amounts falling due within one year	9	(4,728,341)	(4,323,435)
Net current assets		4,740,203	2,178,228
Total assets less current liabilities		7,872,019	5,522,672
Net assets		7,872,019	5,522,672
Capital and reserves			
Called up share capital	10	18	18
Profit and loss reserve	11	7,872,001	5,522,654
Total shareholders' funds	12	7,872,019	5,522,672

The financial statements on pages 10 to 21 were approved by the Board of Directors on 20 December 2010

Signed on behalf of the Board of Directors



Margaret Satchel
Director

Ocean Media Exhibitions Limited

Registered number 03546632

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009

1 Accounting policies

These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been consistently applied, is set out below.

Basis of preparing the financial statements – going concern assumption

The financial statements have been prepared on the going concern basis, which assumes that for the foreseeable future the Company will continue to be able to realise its assets and meet its liabilities as they fall due.

At 27 December 2009, the Company had net assets totalling £7,872,019 (2008 £5,522,672) which included a receivable balance of £5,751,040 (2008 £2,125,932) due from another company within the Mercury Equity Limited Group, and is dependent upon that company settling its debts in part or in full when due or on demand to remain in a net current asset position.

The Mercury Equity Limited Group is subject to a number of covenants over its borrowing facilities. Following a decline in trading during 2008 and 2009, it breached a number of its covenants over the Senior debt and Mezzanine financing.

Since 1 January 2010, the Group has continued to trade profitably, albeit in breach of its bank covenants. Trading during 2010 has stabilised, but at a level which has not enabled it to generate sufficient cash to meet all of its contractual payments of capital and interest under its banking facilities, with the result that these facilities are now repayable on demand.

Following discussions with the bank in November 2010, the bank agreed to make available an on-demand working capital facility until March 2011 in order to meet seasonal working capital requirements, and as a result the Group has continued to meet its day to day trading liabilities.

Both the bank and the directors agree that re-structuring the financing and debt within the balance sheet is essential in order to reduce the level of contractual payments under the current secured bank facilities. The Bank has confirmed in writing that it is fully committed to finding a solution to this issue at the earliest opportunity which will allow the Company to continue to trade as a going concern for the foreseeable future. The Directors anticipate that this will be concluded during the first half of 2011.

Current trading and cashflows are running in line with the latest forecasts prepared for the Company and Group. The directors are considering a number of proposed actions and plans to enhance the working capital and performance of the Company and Group and are taking active steps to implement these as soon as possible. As a result, the directors have a reasonable expectation that the Company and the Group will continue to generate positive operating cashflows and earnings excluding existing contractual funding obligations and are confident that a suitable re-structuring of the current debt obligations will be agreed with the bank shortly.

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

1 Accounting policies (continued)

Basis of preparing the financial statements – going concern assumption (continued)

The directors recognise the fact that the Group is currently trading outside of its banking covenants and that this represents a material uncertainty and may cast doubt on the ability of the Group and Company to continue as a going concern

After considering the uncertainties above, and based on the Group's current financial position, projected trading, cash flows and, in particular, the ongoing support of the Group's bank, the directors have a reasonable expectation that the Company will have adequate resources to continue to operate profitably and, following a re-structuring of the Group's contractual commitments to its bank and other lenders, be able to meet all of its financial obligations as they fall due for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Therefore, these financial statements do not include any adjustments that would result if the going concern basis of preparation is inappropriate

Consolidation

The company is a wholly owned subsidiary of Ocean Media Holdings Limited, a company incorporated in England and Wales. Due to the late filing of the Group statutory accounts, the consolidation exemption available under Section 400 of the Companies Act 2006 for intermediate subsidiaries previously taken is not available for these accounts. The directors believe that the preparation of consolidated accounts would result in undue delay and expense and given the limited external interest in these intermediate subsidiaries they have elected to not prepare consolidated accounts. These accounts include solely the results and financial position of the company. The company is included in the consolidated financial statements of Mercury Equity Limited drawn up to 27 December 2009

Investments

Fixed asset investments are stated at cost unless, in the opinion of the directors, there has been any impairment in value, in which case an appropriate adjustment is made

Cash flow statements

The company is not presenting a cash flow statement in accordance with the exemption in Financial Reporting Statement Number 1 (Revised 1996) – 'Cash Flow Statements' as its ultimate parent company, Mercury Equity Limited has included a consolidated cash flow statement in the group financial statements

Intangible fixed assets

Costs associated with acquiring publishing titles are capitalised as intellectual property and amortised on a straight-line basis over its estimated useful life not exceeding 15 years

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

1 Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using rates enacted or substantively enacted by the balance sheet date

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis. The company has elected not to discount the deferred tax assets and liabilities.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of advertising revenue, subscriptions, conference and exhibition organisation and sales of general merchandise. Income from exhibitions is recognised only after the exhibition has commenced. Revenue related to a specific issue of a magazine is recognised in the month that the magazine goes on sale.

Pension scheme arrangements

The company operates a defined contribution scheme. For these schemes, the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Turnover

An analysis of turnover by geographical region is given below

	2009	2008
	£	£
UK	6,201,570	6,556,998
Rest of Europe	532,433	591,000
Rest of World	214,179	142,017
Total	6,948,182	7,290,015

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

3 Operating profit

The operating profit is stated after charging	2009	2008
	£	£
Amortisation of intangible assets (Note 6)	266,667	266,667
Management recharges in relation to use of fixed assets	18,621	-
Gain on foreign currency exchange	(5,094)	-
Audit fees for the period of £8,000 (2008 £8,000) have been borne and not recharged by a fellow group company		

4 Employee Information

The average monthly number of persons employed by the company, including directors on service contracts during the period was

	2009	2008
By activity	Number	Number
Publishing and exhibitions	13	10
Staff costs comprised		
	£	£
Wages and salaries	377,803	446,618
Social security costs	41,320	49,711
Other pension costs	20,142	19,644
	439,265	515,973

None of the directors received any emoluments for their services to the company in either the current or previous period on the basis of the limited time spent undertaking these roles. The directors' emoluments relating to Trevor Barratt and Margaret Satchel in their capacity as directors of Ocean Media Group Limited are disclosed in that company's financial statements.

Pensions

The company contributes to Ocean Media Group's Stakeholder's Pension Scheme, a defined contribution scheme for which the pension cost for the year ended 27 December 2009 was £18,836 (2008 £18,900).

The company also maintains life cover for employees that were previously members of a defined benefit scheme provided by Trinity Mirror Plc. The cost for the period was £1,306 (2008 £744). Accrued pension costs at 27 December 2009 were £nil (2008 £nil).

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

5 Tax on profit on ordinary activities

	2009	2008
	£	£
Current tax:		
UK corporation tax on profit for the period	-	-
Adjustment in respect of prior period	(33,643)	(999)
Tax credit on profit on ordinary activities	(33,643)	(999)

Reconciliation of current tax charge

The tax assessed for the period is lower (2008 lower) than the standard effective rate of corporation tax in the UK for the 52 week period ended 27 December 2009 of 28%(2008 28.5%) The differences are explained below

	2009	2008
	£	£
Profit on ordinary activities before tax	2,315,704	2,168,105
Profit on ordinary activities multiplied by standard rate in the UK (28%) (2008 28.5%)	648,397	617,910
Effects of		
Non-deductible amortisation of intangible fixed assets	75,739	76,189
Adjustment in respect of prior period	(33,643)	(999)
Group relief	(724,136)	(694,099)
Current tax credit for the period	(33,643)	(999)

Adjustments in respect of prior periods relates to a refund dating back to 2007. This has been claimed by a fellow group company and therefore the corresponding entry is within intercompany balances receivable at 27 December 2009.

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

5 Tax on profit on ordinary activities (continued)

Factors affecting future tax charges

On the 22 June 2010, it was announced that the corporation tax rate was to be reduced from 28% to 27% from 1 April 2011 and that further annual reductions of 1% are expected until 1 April 2014. This change was substantively enacted on 20 July 2010, and as this was after the balance sheet date, no allowance has been made for this proposed change in calculation of the current and deferred tax charge for the period ended 27 December 2009. The potential impact on deferred tax has not been quantified as it is not expected to be material.

No deferred tax was recognised or unrecognised during the period (2008: £nil)

6 Intangible assets

	Intellectual Property
	£
Cost	
At 29 December 2008	4,000,000
Additions	-
At 27 December 2009	4,000,000
Accumulated amortisation	
At 29 December 2008	(655,556)
Charge for the period	(266,667)
At 27 December 2009	(922,223)
Net book amount	
At 27 December 2009	3,077,777
At 28 December 2008	3,344,444

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

7 Investments

	Interests in subsidiary undertakings
	£
Cost and net book value	
At 29 December 2008	-
Additions	54,039
At 27 December 2009	54,039

Details of the company's investment in At Any Events Limited (note 15) are given in the table below

Name of undertaking	Country of incorporation or registration	Description of shares held	Proportion held by the company	Principal activity
At Any Events Limited	England and Wales	Ordinary shares	100%	Management of public events and exhibitions

8 Debtors

	2009	2008
	£	£
Trade debtors	1,999,335	2,537,410
Amounts owed by group undertakings	5,751,040	2,125,932
Other debtors	-	21,443
Prepayments and accrued income	1,718,169	1,816,878
	9,468,544	6,501,663

Amounts owed by group undertakings are unsecured, interest-free and payable on demand

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

9 Creditors: amounts falling due within one year

	2009	2008
	£	£
Amounts owed to group undertakings	7,925	5,726
Other taxation and social security	88,711	130
Accruals and deferred income	4,631,705	4,317,579
	4,728,341	4,323,435

Amounts owed to group undertakings are unsecured, interest-free and payable on demand

10 Called up share capital

	2009	2008
	£	£
Authorised		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Called up, allotted and fully paid		
18 ordinary shares of £1 each	18	18

11 Profit and loss account

	2009
	£
At the beginning of the period	5,522,654
Profit for the financial period	2,349,347
At the end of the period	7,872,001

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

12 Reconciliation of movements in shareholders' funds

	2009	2008
	£	£
Opening shareholders' funds	5,522,672	3,353,568
Profit for the financial period	2,349,347	2,169,104
Closing shareholders' funds	7,872,019	5,522,672

13 Financial commitments

The company is committed to payments in respect of venue hire for future shows. At 27 December 2009, this commitment amounted to £1,292,956 (2008: £1,095,550) in respect of shows to be held in the course of the next financial year.

Capital commitments

At 27 December 2009, the company had no capital commitments (2008: £nil).

14 Contingent liabilities

The company has given a cross guarantee in respect of the bank borrowings of a fellow subsidiary which amounted to £60,165,000 at 27 December 2009 (2008: £60,724,000).

15 Acquisitions

On 9 April 2009, the company purchased the entire ordinary share capital of At Any Events Limited for £54,039. Details of the net liabilities purchased are given in the table below.

	Book and fair value
	£
Plant, property & equipment	1,844
Cash at bank	16,021
VAT receivable	972
Trade creditors	(399)
Corporation tax	(27,259)
Net liabilities acquired	(8,821)
Consideration including costs of acquisition	54,039

The assets and liabilities acquired are considered to be at fair value. There were no post acquisition profits associated with At Any Event Limited.

Ocean Media Exhibitions Limited

Notes to the financial statements for the 52 week period ending 27 December 2009 (continued)

16 Ultimate parent company and immediate parent undertaking

The company's immediate parent undertaking is Ocean Media Magazines Limited, a company registered in England and Wales

The parent undertaking of the smallest and largest group to consolidate these financial statements is Mercury Equity Limited. Copies of Mercury Equity Limited consolidated financial statements can be obtained from the Company Secretary at 19th Floor, Canary Wharf, One Canada Square, London E14 5AP

As at the balance sheet date, the ultimate parent undertaking is AAC Capital NEBO Sub LP which is a limited partnership fund registered in England

The majority investor in this fund is AAC Capital NEBO NL Feeder BV, which is ultimately owned by RFS Holdings BV, incorporated in the Netherlands

AAC Capital NEBO Feeder Limited (the general partner of AAC Capital Sub LP) is regarded as the direct controlling party of the company, and AAC Capital Partners Holding BV (incorporated in the Netherlands) is regarded as the ultimate controlling party of the company

The financial statements of Mercury Equity Limited are not consolidated into the accounts of any other entity

For changes since the balance sheet date please refer to note 18 on post balance sheet events

17 Related party transactions

The company is a wholly owned subsidiary within the Group, and utilises the exemption contained in Financial Reporting Statement Number 8 - "Related Party Disclosures", not to disclose any transactions with wholly owned entities that are part of the Group

18 Post balance sheet events

On 5 November 2010, the shareholders of Mercury Equity Limited signed various agreements whereby they agreed to certain undertakings in favour of the bank that, in substance, confirm that they will not act in any way that would limit the bank's ability to realise value from the Group's assets or companies. In addition, the shareholders have granted the bank a charge over their shares in Mercury Equity Limited, subject to an agreement that this charge cannot be exercised for a period of four months. AAC Capital NEBO Sub LP and Downwing Holdings Limited have also agreed that, if requested by the bank, they will write off their PIK loan notes and loan notes, and convert their preference shares into deferred shares.

Notwithstanding the above, in the opinion of the directors, having taken legal advice, AAC Capital Partners Holding BV continues to be the ultimate controlling party and parent undertaking at the date of approval of the financial statements