15 September 2015

WILMINGTON PLC
(FORMERLY WILMINGTON GROUP PLC)

(‘Wilmington’, ‘the Group’ or ‘the Company’)

Financial results for the twelve months ended 30 June 2015

Financial Results for the twelve months ended 30 June 2015

Wilmington plc, the provider of information, education and networking to professional markets, today announces its full year results for the twelve months ended 30 June 2015.

Financial Highlights

- Revenues for the year up 6% to £95.1m (2014: £90.0m)
- Revenues also up 6% on a constant currency basis
- Adjusted EBITA[1] increased 9% to £20.4m (2014: £18.7m)
- Adjusted EBITA margins[2] improved to 21.5% (2014: 20.8%)
- Adjusted Profit before Tax[3] up 11% to £18.4m (2014: £16.6m)
- Adjusted Earnings per Share[4] up 11% to 16.42p (2014: 14.79p)
- Basic Earnings per Share up to 8.96p (2014: 7.59p)
- Profit before tax at £10.3m (2014: £8.6m)
- Final dividend increased 8% to 4.0p (2014: 3.7p); total dividends up 5.5% to 7.7p (2014: 7.3p)
- Cash flow conversion strong at 107% (2014: 108%)

Operational Highlights

- New strategic vision implemented
- Restructured business into four knowledge based divisions
- Strong momentum from Risk & Compliance (revenue up 13%) and Finance divisions (revenue up 10%)
- Ongoing structural change in the legal market, focus on integration and improving margins
- Good growth from the Insight division (revenue up 4% in constant currency terms)
- Subscription and repeatable information sales at 76% of total revenue (2014: 79%)
- International revenues increased to 39% of total revenue in 2015 (2014: 37%)
- Completed Acquisition of Financial Research Associates (‘FRA’), strengthening our presence in North America

Outlook and Current Trading

- Trading in line with management expectations and on track for the full year
- Acquisition of FRA announced on 7 July is expected to be earnings enhancing in its first year
- Disposal of media assets from Insight division on 31 July 2015 provides greater focus
- Extension of five year debt facility provides longer term financial stability

Mark Asplin, Chairman, commented:

“This year has seen Wilmington deliver a very positive financial performance. Our new strategy and vision have been successfully implemented, creating a more compelling offering through a knowledge-based business structure and customer offering. This offering continues to meet customer demand in products and services and in international territories and provides a solid platform for future growth.”

“Trading in the new financial year has started well, in line with the Board’s expectations and tighter regulatory control and more complex legislation in our key markets is driving demand for our products and services globally. We enter the year ahead with solid market positions and will continue to invest across the business to deliver significant organic revenue growth, supplemented by selective earnings enhancing acquisitions consistent with our strategic objectives. We remain on track to meet current expectations for the year.”

Pedro Ros, Chief Executive Officer, commented:

“I am pleased to present the first full-year results since I joined Wilmington. This year we have completed a thorough review of the businesses and restructured to align people processes and products with our new knowledge-based model. We have at the same time delivered organic growth and margin improvement, and have positioned the business for further future success. I would like take the opportunity to recognise the quality and commitment of our people at Wilmington; two attributes which underpin the year’s strong performance.”

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[1] Adjusted EBITA – see note 3
[2] Adjusted EBITA margins – Adjusted EBITA divided by Revenue
[3] Adjusted Profit before Tax – see note 3
[4] Adjusted Earnings per Share – see note 10

Chairman's Statement

I am pleased to present my report on Wilmington's results for the twelve months ended 30 June 2015. It has been a very positive financial performance providing the platform from which we are implementing our new vision and strategy. This new vision builds on the successful transformation of the business over the last few years and underpins our ambitions. The Board, our management team and our staff are excited and energised about the opportunities to drive Wilmington to the next stage in its development.

The trends reported at the half year continued throughout the year, with continued strong growth reported from our largest and highest margin division, Risk & Compliance, supported by excellent revenue and contribution growth from our Finance division. The Insight division performed satisfactorily recording growth in both revenue and contribution albeit adversely affected by currency movements. As has been well documented we have continued to experience challenging trading conditions in our Legal division and as a result saw underlying revenue decline at the same rate that we saw at the half year.

Revenue in the year ended 30 June 2015 was up £5.1m (6%) to £95.1m (2014: £90.0m) and adjusted EBITA up £1.7m (9%) to £20.4m (2014: £18.7m). On a constant currency basis Revenue was also up 6% and Adjusted EBITA was up by 9%. The stronger relative growth from our higher margin businesses, combined with control of overheads has resulted in an improvement of 70 basis points in Adjusted EBITA Margin to 21.5% (2014: 20.8%). The growth in Adjusted EBITA combined with a reduced interest charge translated into Adjusted Profit before Tax up a pleasing £1.8m (11%) to £18.4m (2014: £16.6m).

Business strategy

As announced in December 2014 after an in-depth review of its assets and the associated market opportunities, Wilmington is further developing its business to a knowledge-based model and structure. This new structure will maximise Wilmington's opportunities to help its clients to meet their information, education and networking requirements. As part of this evolution to a knowledge-based model, Wilmington has become more focussed on its core offerings that provide high quality of earnings. This focus is reflected in the disposal on 31 July 2015 of certain media assets from its Insight division and in the acquisition of Financial Research Associates ('FRA') on 6 July 2015.

<u>Vision</u>

The vision which will act as our guide and underpins our strategy is:

"To be the recognised knowledge leader and partner of choice for information, education and networking in Risk & Compliance, Finance and Legal as well as the Insight leader in a number of chosen industries."

We have successfully re-organised our businesses into four distinct knowledge centres, and agreed ambitious but achievable objectives. We have also allocated and invested in dedicated resources to support the implementation of our new strategy to ensure we have the personnel, support and systems we need.

I am particularly pleased with the transition of the role of Chief Executive Officer passing from Charles Brady to Pedro Ros which has been smoothly and professionally executed. As evidenced by these excellent results, the business momentum within Wilmington has continued unabated. The new strategy and vision is focussed on maintaining the fundamental objectives of high quality income streams in areas where we excel from a people and products perspective in markets we understand and with customers we want to establish and develop long term relationships with.

<u>Creating an increasingly integrated business</u>

This new focus, together with a new corporate website, the Wilmington hub, associated rebranding and vision will help Wilmington create an even more compelling offering through a knowledge-based model. The business will prosper through an evolving portfolio of world class digital products and services. The promotion of a stronger unified Wilmington brand will bring together its market leading positions, other Wilmington brands and will emphasise Wilmington as an increasingly integrated business.

To reflect the new vision, and as part of our branding and development as a unified business rather than a group of companies, we changed the name of the company from Wilmington Group plc to Wilmington plc in February 2015.

This branding and focus will better inform our clients about our range of expertise and breadth of coverage which will in turn enhance our market positions, this will also help to drive further international expansion and develop an integrated organisation supported by best in class technology and exceptional talent.

Digital hub

Central to our integrated offering is the Wilmington Hub. Stage one was launched in February 2015 which showcased the uniform branding and simplified business structure. Stage two was launched in August 2015 with the creation of an innovative corporate website and network of navigational tools that helps connect professionals to all our areas of expertise and enhances customer awareness for our clients across the globe.

Our people

As a digital information, education and networking business operating in dynamic and competitive markets, we are fundamentally reliant on the quality and professionalism of our people. I would once again like to express my own and my fellow Board members' appreciation of the hard work and dedication of our Wilmington colleagues across the world.

Financial and operational targets

I am pleased to report further success and good progress in all of our key financial and operational targets. We have seen continued growth in Adjusted Profit before Tax, Adjusted Earnings per Share, Return on Sales and Return on Equity. We also monitor cash conversion which we expect to exceed 100% on an annual basis. We will continue to maintain a high proportion of our revenue derived from quality and sustainable income streams. In this year revenue from subscriptions and repeatable revenue was 76% of Group revenue (2014: 79%). We continue to seek to increase each year our proportion of revenue generated outside the UK where we see good prospects for long term sustainable growth in many of the major professional markets we operate in. Revenue outside the UK has grown again and was 39% of total revenue compared to 37% last year. The acquisition of FRA is expected to increase still further this proportion of overseas revenue.

This financial and operational performance is reflective of the quality of our portfolio of offerings which benefit from a significant proportion of revenues derived from subscriptions and from products which disseminate content-rich, high-value information digitally along with certificated education and compliance programmes.

Acquisitions

In support of our growth strategy, we will continue to review selective earning enhancing acquisition opportunities to add additional growth and expertise in our chosen markets.

In this context we were delighted to announce the acquisition, on 7 July 2015, of FRA, a leading US conference and networking provider of specialist events in healthcare and finance, for a maximum consideration of up to $20.6m (£13.2m). The recent acquisition of FRA is consistent with our strict investment criteria and enhances our networking capabilities in Finance and Insight.

FRA will work closely with other Wilmington companies in the US, including Compliance Week (the provider of governance, risk and compliance events and information acquired in August 2013), and with UK companies seeking US market access in particular NHiS (the provider of business intelligence and data analysis to the pharmaceutical industry) and AMT (the provider of corporate finance and capital markets training to major international investment banks).

FRA's business provides Wilmington with additional networking expertise and will support in particular the Wilmington Insight and Finance divisions. FRA's established relationships will provide Wilmington's international businesses with networking opportunities, enabling closer access to a wider pool of North American customers and markets. In turn, Wilmington sees opportunities to "geo-clone" FRA events internationally and is already investigating opportunities in the UK and Europe.

Disposals

As part of the review of our portfolio we announced on 31 July 2015 the disposal of certain media assets for £0.5m from our Insight Division.

In the near term, the Board's primary focus remains on driving our new strategy and vision and maximising the many organic opportunities open to us to enhance our operational and financial returns.

Balance sheet

Net debt, which includes cash and cash equivalents, bank loans (excluding capitalised facility fees) and bank overdrafts, was £28.6m (30 June 2014: £33.7m) a decrease of £5.1m on last year during a period of considerable growth and change. The group continues to demonstrate excellent cash generative characteristics with cash conversion[5] of 107% (2014: 108%). These characteristics were recently recognised by the continued support from our principle bank debt providers who extended the multicurrency £65m debt facility on 1 July 2015 until 1 July 2020. The facility, as well as providing longer term security, flexibility and reduced interest costs is structured so it can be increased to £100m if required with majority lending bank consent.

[5] Cash conversion – see note 20

Dividend

I am proud of the Group's record of maintaining its dividend over recent years and the resumption in 2013/14 of a progressive dividend reflecting our improving financial performance. The dividend payment policy remains the same and underpins our confidence in the new strategy and vision and the resilience of our business models. I am pleased to confirm that the final dividend for this year will be increased again to 4.0p (2014: 3.7p) per share an increase of 8% on last year. This together with an increased interim dividend makes a total dividend of 7.7p up 5.5% from 2014 (7.3p). It is the Board's intention to maintain its progressive dividend policy whilst ensuring that suitable dividend cover of at least two times adjusted earnings per share is maintained.

The final dividend of 4.0p per share will be paid on 16 November 2015 to shareholders on the share register as at 23 October 2015.

Board changes

As announced in December 2014, Neil Smith, Chief Operating Officer, decided to leave the Group, effective from 1 January 2015, to pursue other opportunities. Following the formation of an Executive Committee this position has not been replaced.

Wilmington is pleased to announce the appointment of Paul Dollman as a Non-Executive Director and as designated Chairman of the Audit Committee. Paul will join the Board on 16 September 2015 and succeed Terry Garthwaite as Chairman of the Audit Committee in November 2015. Paul Dollman was Group Finance Director of John Menzies plc for over ten years until May 2013, where he played a key role in the turnaround of the business and is currently Chairman of Smart Metering Systems plc, a Non-Executive Director of Scottish Amicable (part of Prudential plc) and is a Member of the Audit Committee of the National Library of Scotland.

On behalf of the Board, I would like to thank Terry for his valued contribution over his ten year tenure, during which time he has been instrumental in achieving significant improvements to our reporting procedures. We wish him well for his future endeavours.

Current trading and outlook

I am pleased to report that the new financial year has started well and trading is in line with our expectations. Challenging market conditions remain for our Legal division and our Insight division has had a mixed start to the new financial year with lower sales of lower margin marketing data to pharmaceutical clients being offset by continued good momentum from NHiS which enjoys a solid pipeline of sales prospects. Meanwhile our Finance and Risk & Compliance divisions which represented just under 60% of our revenue in 2015 have both enjoyed good initial trading. Our latest acquisition FRA has also had a good start and we expect it to be earnings enhancing in this financial year.

We continue to see tighter regulatory control and more complex legislation implemented in most of our key markets and we remain confident that these changes will continue to drive the demand for our products and services globally. The recent acquisition of FRA provides further opportunities for continued profitable growth.

Wilmington has articulated its strategy, vision and ambition and is progressing with confidence in the next stage of its development. We continue to widen our geographical presence, strengthen our back office and operational management teams and invest in new strategic systems including our new digital hub. The business continues to offer good opportunities for us to generate attractive returns for shareholders over the long term.

The outlook for 2016 remains unchanged and we are on track to meet our expectation for the year.

Chief Executive Officer's review

I am pleased to present my first set of annual results since joining Wilmington. Every day I am reminded of the quality of our business and of our people and this is reflected in the strong Revenue performance achieved during the year up 6% at £95.1m compared to 2014. Adjusted EBITA was up by 9% (£1.7m) to £20.4m and Adjusted Profit before Tax was up 11% (£1.8m) to £18.4m. A robust performance overall was delivered across the Group not just from businesses enjoying strong demand but also from those businesses operating in challenging markets.

Since taking over the role of Chief Executive Officer on 1 October 2014 we have made great strides in reorganising and refocussing the business. Our new vision and strategy builds upon the legacy of Wilmington's strong brands and market positions, creating a more compelling offering through a knowledge-based model underpinned by our evolving portfolio of world class digital products and services. Clients remain at the centre of everything we do and we are focussed on working more efficiently and increasingly as a more unified business. We have also strengthened the management teams and by creating an operational Executive Committee of senior managers we have both brought the businesses closer to each other and brought Wilmington plc closer to the businesses.

The Capital Markets day in July 2015 proved a good opportunity to give our investors, analysts and followers a better insight to the new structure and access to the divisional managers who are working to deliver a more integrated business which seeks to exploit opportunities across the many touch points we have with our customers.

As announced in December 2014 we now manage and report our business by reference to four knowledge-based divisions; Risk & Compliance, Finance, Legal and Insight. We are therefore presenting and commenting on our business and financial performance by reference to these new divisional structures.

Risk & Compliance (38% of Group revenue, 50% of Group contribution[6])

This division provides in depth regulatory and compliance accredited training and information, market intelligence, and analysis. It focuses on the international financial services and international insurance markets as well as the UK pensions industry and contains our International Compliance Training ('ICT'), Axco, Pendragon, International Company Profile ('ICP'), Compliance Week and Inese businesses. The main users of our offerings are risk and compliance officers globally. This is an area which has demonstrated strong organic growth which should be enhanced as we combine the various opportunities into an integrated offering. It also has the highest exposure to International markets of all our divisions.

	2015	**2014**	**Movement**	
	£'m	**£'m**	**£'m**	**%**
Revenue	36.4	32.4	4.1	*13*
Contribution	11.9	10.7	1.2	*11*
Margin %	***33***	***33***		

Divisional revenue increased by 13% (£4.1m) and 13% on an underlying constant currency basis adjusted for the acquisition of Compliance Week.

Our compliance training businesses (which represent c.40% of the division's revenue) grew 30% in the year again supported by strong demand for in house face to face training particularly from tier 1 international banks where we continued to secure major training programs. The growth has been particularly strong in this area over the last few years benefitting from the roll out of intensive organisation-wide training programs. These large initial programs are then followed up by less intensive maintenance programs which leverage our ICT programs that have become embedded in the organisation's processes and culture.

We have also seen increases in our public courses again driven by demand for accredited compliance training and supplied globally by ICT. ICT provides accredited training programs in anti-money laundering, compliance and financial crime and has developed compliance training programmes in Banking, Oil, Gambling and Gas and Pharmaceuticals.

Growth in compliance despite the performance continues to be constrained to some extent by the availability of qualified trainers although we have been investing in our own trainer induction and conversion programs. We still see many opportunities to launch new compliance products in most regulated markets and are focussing our efforts on an industry by industry basis.

6 Group contribution of £23,829k (2014: £21,970k) – see note 4

Axco, the industry leading provider of insurance market intelligence, regulation and compliance information reported just over 3% constant currency revenue growth helped by the continued success of its new digital subscription products and market reports although its analytics and data services continued to experience slow growth and some revenue was affected by insurance company merger activity. Axco completed the roll out of new insight products earlier in the year which will enhance our analytical insurance offerings going forward. Since the year end we have seen growing interest in the new Insight products reflected in deferred revenue for Axco increasing by 6% on the same period in 2015.

Pendragon which provides compliance information and workflow tools for the UK pensions markets maintained its market leading position. We are beta testing the new pension legislation platform, “New Perspective”, which continues to see strong interest from existing and potential new clients. The new system represents a major revamp of the industry leading platform moving from a site licensed model to a cloud based hosting environment.

ICP which provides company credit reports aimed at credit risk managers had a record year last year but has seen a recent slowdown in demand for credit reports, particularly in the Middle East, resulting in a small revenue decline of 5%. The business has a strong pipeline of orders for 2015/16 and demand is still robust for its product.

Compliance Week, our US governance, risk and compliance events and information business acquired in August 2013 contributed revenue of £3.7m compared to last year‘s 10.5 month contribution of £3.2m. The Compliance Week Annual Conference held in Washington together with the second European Compliance Conference held in Brussel performed well and both provided natural showcases for other group offerings; servicing the increasing demand for risk and compliance products and services. A further Compliance Week event will be held in November 2015 in Dubai reflecting the geo-clone opportunities from large scale events in our key markets.

Inese our leading insurance information and events business serving the Spanish Insurance market and, increasingly, clients in South American markets grew revenue by a creditable 3% in constant currency terms.

Overall divisional contribution increased by £1.2m (11%) to £11.9m (2014: £10.7m) and 15% on an underlying constant currency basis adjusted for the acquisition of Compliance Week. Margins were level reflecting, inter alia, the investment in infrastructure for our ICT compliance training business to support its rapid revenue growth and the related change in mix with a higher proportion of revenue from, lower margin, compliance training. This was supplemented by growth from our higher margin information businesses.

Finance (20% of Group revenue, 18% of Group contribution)

This division includes Wilmington’s financial training businesses including Adkins Matchett & Toy (‘AMT’) and Mercia. The consolidated offerings of its finance areas should drive good revenue growth as well as exploit growing international markets. The Finance division provides expert and technical training and support services to professionals in corporate finance and capital markets and to qualified accountants in the UK in both the profession and industry. This division serves primarily tier 1 banks, the international financial services industry, and small to medium sized professional accountancy firms.

	2015	**2014**	**Movement**	
	£'m	**£'m**	**£'m**	**%**
Revenue	18.7	17.0	1.7	*10*
Contribution	4.4	3.7	0.7	*18*
Margin %	***23***	***22***		

The division continued its strong revenue growth reported at the half year with an increase of £1.7m (10%) compared to 2014. The growth in constant currency terms was also 10%. Growth drivers included strong demand from Tier 1 banks for face to face graduate induction training, and from face to face training demands from professional accountants, particularly around the recent changes to UK accounting standards.

AMT which provides corporate finance and capital markets training to major international banks recorded another record year with revenue up over 10%. AMT, which generates most of its revenue and contribution in the summer months, benefited from its evolving e-training platforms and content initiatives. AMT continued to win market share in a competitive market based on its reputation for “best in class” bespoke training and heavy investment in its e-delivery and support systems. The new-year for AMT has already started well and the pipeline of new business again looks strong, although AMT, like other high quality training businesses, is being restricted by competition over the supply of quality trainers.

Mercia our accountancy training business had an excellent trading year as well as acquiring and integrating a small accountancy training business. It has also undergone a seamless change in senior management whilst continuing to trade well in a competitive and challenging market. Mercia has benefitted from a second UK fiscal budget in July 2015 which will help underpin to some extent its profit targets for 2015/16.

Overall divisional contribution was 18% (£0.7m) ahead of last year at £4.4m (2014: £3.7m) and 25% ahead on an underlying constant currency basis. Margins were up to 23% from 22%.

Legal (17% of Group revenue, 9% of Group contribution)

The Legal division provides a range of training, professional support services and information including Continuing Legal Education, expert witness training, databases and magazines to legal professionals. The business which offered a wide range of services is now focussing on three basic offerings; providing law services to lawyers in the profession and industry and law services for non-lawyers.

	2015	**2014**	**Movement**	
	£'m	**£'m**	**£'m**	**%**
Revenue	16.3	17.4	(1.1)	*(6)*
Contribution	2.2	2.3	(0.1)	*(3)*
Margin %	***14***	***13***		

The division saw revenue reduce by 6% (£1.1m) continuing the trend reported at the half year. This continued reduction, although disappointing, reflects the challenging market conditions previously reported particularly surrounding reduced demand for face to face training and the proposed change to the Legal profession's Continuing Professional Development rules. Our response has been to change the management team at the beginning of the year, to continue to rationalise our conference and course programmes to reflect the structural changes in the market, and to look at ways of integrating the various businesses and brands. We have also launched our new networking and resource platform for the legal industry; the Wilmington Legal Portal. There were, however, areas of the legal market showing continued growth including Bond Solon, servicing the needs for law for non-lawyers, which saw revenue grow by 4%.

The new legal division management team and structure have bedded down and despite the market conditions, the overall division improved its contribution margins from 13% to 14%, although contribution was down £0.1m to £2.2m (2014: £2.3m).

Insight (25% of Group revenue, 23% of Group contribution)

The Insight division increasingly provides analysis and clarity to customer-focused organisations, enabling them to better understand and connect with their markets. This division includes our UK healthcare information businesses, our French language medical news agency, our data suppression, media, and charity information businesses.

	2015	2014	Movement	
	£'m	£'m	£'m	%
Revenue	23.7	23.3	0.4	*2*
Contribution	5.4	5.3	0.1	*1*
Margin %	***23***	***23***		

Revenue was up 2% (£0.4m) to £23.7m (2014: £23.3m) and, adjusting for adverse currency movements was up 4% compared to 2014. The healthcare business which makes up 60% of the division had faced challenging market conditions over the last few years and to some extent the conditions had eased earlier in the year reflected in good growth from our Binley's and Onmedica businesses (up 7%) but in particular growth from NHiS (up 25% albeit compared to a weak 2013/14). NHiS a provider of business intelligence and data analysis to the pharmaceutical industry is seeing more traction from one off assignments which focus on offering more analysis led insightful information albeit at lower margins. NHiS saw increased demand from other European clients interested in its Insight capabilities in the UK healthcare market. We also saw revenue growth within Onmedica Asia from a new business we set up to explore the provision of healthcare data and market intelligence to the Indian healthcare market. Agence de Presse Médicale ('APM'), our French news agency business, reported revenue down 7% (2% down in constant currency) reflecting funding pressure in the French health sector.

As expected the data suppression and charities businesses were down 2% in revenue terms compared to last year and the focus is on delivering higher margins through reorganisation and the review of marginal business operations. On 31 July 2015 we disposed of our non-core media information business which contributed £1.1m to turnover (down 10% in the 12 months to 30 June 2015) and £0.1m to profits.

Overall divisional contribution was adversely affected by currency but was up £0.1m to £5.4m and margins were flat at 23%. We did see good growth in margins and profits from our UK healthcare businesses but these were offset by lower margins from APM and as reported last year from the added investment in the Insight management team. Contribution was up £0.3m on an underlying constant currency basis.

Group overheads

Group overheads, which include Board costs, head office salaries as well as unallocated central overheads, increased by £0.1m (4%) to £3.4m (2014: £3.3m).

Financial review

Adjusting items

Reference is made in this financial review to adjusted results. Adjusted results in the opinion of the Directors provide a more comparable indication of the Group's underlying financial performance and exclude adjusting items set out in note 6.

Adjusting items £1.1m (2014: £0.8m) include £0.5m in respect of loss of office compensation to Neil Smith a former Executive Director, and £1.0m in costs associated with the new vision, associated re-organisation of staff and rebranding. Offsetting this is £0.4m in respect of a reduction in the estimated deferred consideration liability for NHiS.

	2015	2014	Movement	
	£'m	£'m	£'m	%
Revenue	95.1	90.0	5.1	*6*
Adjusted EBITA	20.4	18.7	1.7	*9*
Adjusted EBITA %	***21.5***	***20.8***		

Revenue

For the twelve months 30 June 2015 revenue increased by £5.1m (6%) to £95.1m (2014: £90.0m). On a constant currency basis underlying revenue was also up 6%.

Net operating expenses

Net operating expenses, excluding adjusting items, were £74.7m (2014: £71.3m) up 5%. This reflects an increase of 4% in cost of sales, a 6% increase in distribution costs and a 4% increase in administration costs.

Amortisation of intangible assets

Amortisation of intangible assets (excluding computer software) were £6.1m, compared to £6.3m in the previous year.

Net finance costs

Net finance costs which consist of interest payable and bank charges were down 6% to £2.0m from £2.1m reflective of a reduction in net debt and lower applicable interest rates. Net debt in the twelve months to 30 June 2015 ended at £28.6m compared to £33.7m at the end of June 2014; a reduction of £5.1m. On 1 July 2015 Wilmington plc extended its loan facility for a further five years until 1 July 2020.

Share based payments

The share based payment expense in the year was level with 2013/14 at £0.9m and included £0.1m of additional cost in respect of compensation for loss of office due to a former Director.

Taxation

Taxation increased by £0.4m (19%) to £2.4m from £2.0m. The increase in the tax expense is due to an increase in adjusted profits before tax of 20% offset by a reduction to UK corporation tax rates. The effective tax rate is 23.6% compared to 23.7% in 2014.

The underlying tax rate which ignores the tax effects of adjusting items decreased from 24.0% to 23.0%. This reduction reflects, inter alia, the reduction in UK corporation tax rates during the year.

Operating profit

Operating profit was up £1.5m (14%) at £12.3m from £10.7m in 2014. Adjusted EBITA was up £1.7m (9%) at £20.4m (2014: £18.7m), offset by an increase in adjusting items of £0.3m. Adjusted EBITA margins were up 70 basis points to 21.5% (2014 20.8%).

Profit before taxation

Profit before taxation was up £1.7m to £10.3m from £8.6m in 2014. Adjusted Profit before Tax increased by 11% (£1.8m) to £18.4m from £16.6m.

Earnings per share

Adjusted Basic Earnings per Share increased by 11% to 16.42p (2014: 14.79p). Basic earnings per share increased to 8.96p from 7.59p and diluted earnings per share increased to 8.84p from 7.39p.

Goodwill

Goodwill increased by £0.2m to £77.1m due to exchange rate movements in the period, offset by a reclassification of media assets to assets of disposal group held for sale.

Intangible assets
Intangible assets declined by £5.1m reflecting amortisation, offset by £0.4m from acquisitions made in the year and other additions, mainly computer software, of £1.7m (2014: £0.9m). Software additions included investment in our new Salesforce.com© Customer Relationship Management ('CRM') and Perspective, our new Pendragon product platform. We also transferred £0.5m in net book value of assets from Property, Plant and Equipment to Intangible assets (note 13) as part of an internal capital reallocation exercise.

Property, plant and equipment
Property, plant and equipment decreased by £0.9m to £4.8m reflecting additions to tangible fixed assets of £0.8m (2014: £0.9m) offset by depreciation, disposals and the effects of exchange rate movements. During the year we reclassified £0.5m in net book value of assets to Intangible Fixed Assets as part of a review of the capital allocated to each new division (note 14).

Trade and other receivables
Trade receivables within trade and other receivables increased by £0.6m reflecting higher trading activity offset by a reclassification of media assets to assets of disposal group held for sale.

Trade and other payables, subscriptions and deferred revenue
Trade and other payables decreased by £0.6m to £20.4m (2014: £21.0m) reflecting, inter alia, the improved supplier payment processes implemented in the previous year. Subscriptions and deferred revenue decreased by £0.4m to £19.2m (2014: £19.6m) due to a reclassification of media liabilities to liabilities of disposal group held for sale. Adjusting for this deferred income at 30 June 2015 was flat on 2014. Within subscriptions and deferred revenue the balance attributable to the Legal division decreased by £0.5m offset by growth in the Risk & Compliance and Finance divisions.

Net debt
Net debt, which includes cash and cash equivalents, bank loans (excluding capitalised facility fees) and bank overdrafts, was £28.6m (30 June 2014: £33.7m) a decrease of £5.1m. Cash conversion which was 107% (2014: 108%) contributed to the reduction in net debt offset by one off costs. Net debt at June 2015 represented 44% of our debt and overdraft facility of £65m. This facility was extended on 1 July 2015 to 1 July 2020. Note 18 to the financial statements provides further details of the amended terms to 1 July 2020. In accordance with accounting standards all of the bank loans and overdrafts ('borrowings') are shown under Current Liabilities as the £65m debt facility at 1 July 2015 was repayable within one year.

Financial risks
The Group is exposed to foreign exchange risks, liquidity and capital risks and credit risks. The Group has policies that mitigate these risks.

Treasury shares
During the year 0.4m shares were reissued in settlement of shares vesting under the Group's Performance Share Plan ('PSP'). This resulted in a transfer to share capital at the weighted average cost of shares held in treasury. Further 0.4m new ordinary shares of £0.05 each were also issued under this scheme.

Dividend
It is the Board's intention to pay a progressive dividend whilst ensuring a cover of at least two times the Group's adjusted earnings per share over the dividend per share in respect of the year. A final dividend of 4.0p per share (2014: 3.7p) will be paid on 16 November 2015 to shareholders on the register as at 23 October 2015.

Statement of Directors' Responsibilities

The statement of Directors' responsibilities below has been prepared in connection with the company's full annual report for the year ended 30 June 2015. Certain parts of the annual report have not been included in this announcement as set out in note 1 of the financial information.

We confirm to the best of our knowledge that:

- the consolidated financial statements, which have been prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the group and the undertakings included in the consolidation taken as a whole;
- the management report represented by the report of the Directors, and material incorporated by reference, includes a fair review of the development and performance of the business and the position of the group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to access the company's performance, business model and strategy.

This responsibility statement was approved by the board of Directors on 14 September 2015 and is signed on its behalf by:

Anthony M Foye
Chief Financial Officer

Consolidated Income Statement for the year ended 30 June 2015

	Notes	**Adjusted results June 2015 £'000**	**Adjusting items (note 6) June 2015 £'000**	**Statutory results June 2015 £'000**	Adjusted results June 2014 £'000	Adjusting items (note 6) June 2014 £'000	Statutory results June 2014 £'000
Continuing operations							
Revenue	4	**95,087**	**—**	**95,087**	90,024	—	90,024
Net operating expenses	5	**(74,669)**	**(1,112)**	**(75,781)**	(71,320)	(764)	(72,084)
Amortisation	6	**—**	**(6,118)**	**(6,118)**	—	(6,286)	(6,286)
Share based payments	6	**—**	**(918)**	**(918)**	—	(924)	(924)
Operating profit		**20,418**	**(8,148)**	**12,270**	18,704	(7,974)	10,730
Net finance costs	7	**(1,974)**	**—**	**(1,974)**	(2,099)	(39)	(2,138)
Profit before tax		**18,444**	**(8,148)**	**10,296**	16,605	(8,013)	8,592
Taxation	8			**(2,429)**			(2,034)
Profit for the year				**7,867**			6,558
Attributable to:							
Owners of the parent				**7,737**			6,485
Non-controlling interests	19			**130**			73
				7,867			6,558
Earnings per share attributable to the owners of the parent:							
Basic (p)	10			**8.96p**			7.59p
Diluted (p)	10			**8.83p**			7.39p
Adjusted earnings per share attributable to the owners of the parent:							
Basic (p)	10	**16.42p**			14.79p		
Diluted (p)	10	**16.19p**			14.40p		

Consolidated Statement of Comprehensive Income for the year ended 30 June 2015

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Profit for the year	**7,867**	6,558
Other comprehensive income:		
Items that may be reclassified subsequently to the income statement		
Net fair value movements on interest rate swaps	**116**	381
Currency translation differences	**578**	(1,001)
Net investment hedges	**(265)**	497
Other comprehensive income/(expense) for the year, net of tax	**429**	(123)
Total comprehensive income for the year	**8,296**	6,435
Attributable to:		
– Owners of the parent	**8,166**	6,362
– Non-controlling interests	**130**	73
	8,296	6,435

Balance Sheet as at 30 June 2015

	Notes	Group 2015 £'000	Group 2014 £'000
Non-current assets			
Goodwill	12	**77,063**	76,855
Intangible assets	13	**23,636**	28,746
Property, plant and equipment	14	**4,841**	5,727
Deferred tax assets		**562**	562
		106,102	111,890
Current assets			
Trade and other receivables	15	**21,696**	22,389
Cash and cash equivalents		**9,194**	5,020
Derivative financial instruments	16	**338**	37
		31,228	27,446
Assets of disposal group held for sale	11	**895**	—
		32,123	27,446
Total assets		**138,225**	139,336
Current liabilities			
Trade and other payables	17	**(39,575)**	(40,635)
Current tax liabilities		**(793)**	(1,333)
Deferred consideration – cash settled		**—**	(343)
Derivative financial liabilities	16	**—**	(78)
Borrowings	18	**(37,655)**	(642)
		(78,023)	(43,031)
Liabilities of disposal group held for sale	11	**(445)**	—
		(78,468)	(43,031)
Non-current liabilities			
Borrowings	18	**—**	(37,673)
Deferred consideration – equity settled		**(273)**	(728)
Derivative financial instruments	16	**(423)**	(490)
Deferred tax liabilities		**(3,762)**	(4,670)
Provisions for future purchase of non-controlling interests		**(100)**	(100)
		(4,558)	(43,661)
Total liabilities		**(83,026)**	(86,692)
Net assets		**55,199**	52,644
Equity			
Share capital		**4,325**	4,305
Share premium		**45,225**	45,231
Treasury shares		**(96)**	(878)
Share based payments reserve		**1,052**	911
Translation reserve		**(364)**	(942)
Retained earnings		**4,780**	3,782
Equity attributable to owners of the parent		**54,922**	52,409
Non-controlling interests	19	**277**	235
Total equity		**55,199**	52,644

Statement of Changes in Equity for the year ended 30 June 2015

	Share capital, share premium and treasury shares £'000	Share based payments reserve £'000	Translation reserve £'000	Retained earnings £'000	Total £'000	Non-controlling interests (note 19) £'000	Total equity £'000
Group							
At 1 July 2013	47,180	1,560	59	2,770	51,569	145	51,714
Profit for the year	—	—	—	6,485	6,485	73	6,558
Other comprehensive income for the year	—	—	(1,001)	878	(123)	—	(123)
	47,180	1,560	(942)	10,133	57,931	218	58,149
Dividends	—	—	—	(6,058)	(6,058)	(26)	(6,084)
Share based payments	—	440	—	41	481	—	481
Reissue of treasury shares	1,478	(1,089)	—	(334)	55	—	55
Movement in non-controlling interests	—	—	—	—	—	52	52
Movements in offset of provisions for the future purchase of non-controlling interests	—	—	—	—	—	(9)	(9)
At 30 June 2014	48,658	911	(942)	3,782	52,409	235	52,644
Profit for the year	—	—	—	7,737	7,737	130	7,867
Other comprehensive income for the year	—	—	578	(149)	429	—	429
	48,658	911	(364)	11,370	60,575	365	60,940
Dividends	—	—	—	(6,370)	(6,370)	(88)	(6,458)
Issue of share capital	14	—	—	(20)	(6)	—	(6)
Share based payments	—	752	—	(27)	725	—	725
Reissue of treasury shares	782	(611)	—	(173)	(2)	—	(2)
At 30 June 2015	**49,454**	**1,052**	**(364)**	**4,780**	**54,922**	**277**	**55,199**

Cash Flow Statement for the year ended 30 June 2015

		Group	
		Year ended 30 June 2015	Year ended 30 June 2014
	Notes	**£'000**	£'000
Cash flows from operating activities			
Cash generated from operations before adjusting items	20	**21,880**	20,204
Cash flows for adjusting items - operating activities		**(1,363)**	(372)
Cash flows for adjusting items - share based payments		**(230)**	(358)
Cash generated from operations		**20,287**	19,474
Net finance costs paid		**(1,883)**	(1,863)
Tax paid		**(3,680)**	(3,285)
Net cash generated from operating activities		**14,724**	14,326
Cash flows from investing activities			
Purchase of businesses		**(173)**	(7,342)
Deferred consideration paid		**(343)**	(168)
Purchase of non-controlling interests		**—**	(58)
Cash flows for adjusting items - investing activities		**—**	(267)
Purchase of property, plant and equipment		**(829)**	(883)
Proceeds from disposal of property, plant and equipment		**65**	710
Purchase of intangible assets		**(1,738)**	(955)
Net cash used in investing activities		**(3,018)**	(8,963)
Cash flows from financing activities			
Dividends paid to owners of the parent		**(6,370)**	(6,058)
Dividends paid to non-controlling interests		**(88)**	(26)
Share issuance costs		**(6)**	—
Reissue of treasury shares		**—**	55
Decrease in bank loans		**(1,000)**	(1,748)
Net cash used in financing activities		**(7,464)**	(7,777)
Net increase/(decrease) in cash and cash equivalents, net of bank overdrafts		**4,242**	(2,414)
Cash and cash equivalents, net of bank overdrafts at beginning of the year		**4,378**	6,913
Exchange gains/(losses) on cash and cash equivalents		**78**	(121)
Cash and cash equivalents, net of bank overdrafts at end of the year		**8,698**	4,378
Reconciliation of net debt			
Cash and cash equivalents at beginning of the year		**5,020**	7,803
Bank overdrafts at beginning of the year		**(642)**	(890)
Bank loans at beginning of the year	18	**(38,041)**	(40,286)
Net debt at beginning of the year		**(33,663)**	(33,373)
Net increase/(decrease) in cash and cash equivalents (net of bank overdrafts)		**4,320**	(2,535)
Net repayment in bank loans		**1,000**	1,505
Exchange (loss)/gain on bank loans		**(265)**	740
Cash and cash equivalents at end of the year		**9,194**	5,020
Bank overdrafts at end of the year		**(496)**	(642)
Bank loans at end of the year	18	**(37,306)**	(38,041)
Net debt at end of the year		**(28,608)**	(33,663)

Notes to the Financial Statements

1. Nature of the financial statements

The following financial information does not amount to full financial statements within the meaning of Section 434 of Companies Act 2006. The financial information has been extracted from the Group's Annual Report and Financial Statements for the year ended 30 June 2015 on which an unqualified report has been made by the Company's auditors.

Financial statements for the year ended 30 June 2014 have been delivered to the Registrar of Companies; the report of the auditors on those accounts was unqualified and did not contain a statement under Section 498 of the Companies Act 2006. The 2015 statutory accounts will be delivered in due course.

Copies of the Annual Report and Financial Statements will be posted to shareholders shortly and will be available from the Company's registered office at 6-14 Underwood St, London, N1 7JQ.

2. Statement of Accounting Policies

The preliminary announcement for the year ended 30 June 2015 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The accounting policies applied in this preliminary announcement are consistent with those reported in the Group's annual financial statements for the year ended 30 June 2014 along with new standards and interpretations which became mandatory for the financial year.

3. Measures of profit

To provide shareholders with a better understanding of the trading performance of the Group, adjusted profit before tax has been calculated as profit before tax after adding back:

- amortisation of intangible assets - publishing rights, titles and benefits;
- impairment of goodwill;
- unwinding of the discount on the provisions for the future purchase of non-controlling interests and deferred consideration;
- share based payments; and,
- other adjusting items.

Adjusted profit before tax, Adjusted EBITA and Adjusted EBITDA reconcile to profit on continuing activities before tax as follows:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Profit before tax	**10,296**	8,592
Amortisation of intangible assets - publishing rights, titles and benefits	**6,118**	6,286
Unwinding of the discounts	**—**	39
Share based payments	**918**	924
Other adjusting items	**1,112**	764
Adjusted profit before tax ('Adjusted Profit before Tax')	**18,444**	16,605
Net finance costs (excluding the unwinding of the discounts above)	**1,974**	2,099
Adjusted operating profit ('Adjusted EBITA')	**20,418**	18,704
Depreciation of property, plant and equipment	**918**	1,025
Amortisation of intangible assets - computer software	**1,005**	816
Adjusted EBITA before depreciation ('Adjusted EBITDA')	**22,341**	20,545

4. Segmental information

In accordance with IFRS 8 the Group's operating segments are based on the figures reviewed by the Board, which represents the chief operating decision maker.

The Group now reports its results in four segments as this more accurately reflects the way the Group is now being managed. There is no change to any of the Group's accounting policies and there is no restatement of either revenues or profitability, other than this revised segmentation by the four operating segment headings.

The Group's organisational structure reflects the knowledge areas to which it provides information, education and networking. The four new divisions (Risk & Compliance, Finance, Legal and Insight) are the Group's segments and generate all of the Group's revenue.

The Board considers the business from both a geographic and product perspective. Geographically, management considers the performance of the Group between the UK and overseas.

4. Segmental information (continued)

(a) Business segments

	Revenue Year ended 30 June 2015 £'000	**Contribution Year ended 30 June 2015 £'000**	Revenue Year ended 30 June 2014 £'000	Contribution Year ended 30 June 2014 £'000
Risk & Compliance	**36,416**	**11,856**	32,354	10,669
Finance	**18,711**	**4,382**	17,034	3,715
Legal	**16,250**	**2,201**	17,371	2,268
Insight	**23,710**	**5,390**	23,265	5,318
	95,087	**23,829**	90,024	21,970
Unallocated central overheads	**—**	**(3,411)**	—	(3,266)
	95,087	**20,418**	90,024	18,704
Amortisation of intangible assets – publishing rights, titles and benefits		**(6,118)**		(6,286)
Share based payments		**(918)**		(924)
Other adjusting items		**(1,112)**		(764)
Net finance costs		**(1,974)**		(2,138)
Profit before tax		**10,296**		8,592
Taxation		**(2,429)**		(2,034)
Profit for the financial year		**7,867**		6,558

Unallocated central overheads represent head office costs that are not specifically allocated to segments.

Total assets and liabilities for each reportable segment are not presented, as such information is not provided to the Board.

Contribution is defined as Adjusted EBITA excluding unallocated central overheads.

(b) Segmental information by geography

The UK is the Group's country of domicile and the Group generates the majority of its revenue from external customers in the UK. The geographical analysis of revenue is on the basis of the country of origin in which the customer is invoiced:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
UK	**57,797**	57,135
Europe (excluding the UK)	**16,248**	15,060
North America	**10,683**	10,467
Rest of the World	**10,359**	7,362
Total revenue	**95,087**	90,024

5. Net operating expenses

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Cost of sales	**27,992**	26,918
Distribution and selling costs	**17,679**	16,650
Administrative expenses (excluding amortisation of intangible assets - computer software)	**27,993**	26,936
Amortisation of intangible assets - computer software	**1,005**	816
Net operating expenses before adjusting items	**74,669**	71,320
Other adjusting items	**1,112**	764
Net operating expenses	**75,781**	72,084

Other adjusting items are all classified as administration expenses.

6. Profit from continuing operations

Profit for the year from continuing operations is stated after charging/(crediting):

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Depreciation of property, plant and equipment	**918**	1,025
Amortisation of intangible assets - publishing rights, titles and benefits	**6,118**	6,286
Amortisation of intangible assets - computer software	**1,005**	816
(Profit)/loss on disposal of property, plant and equipment	**(21)**	34
Rentals under operating leases	**959**	972
Other adjusting items (see below)	**1,112**	764
Share based payments	**918**	924
Foreign exchange loss/(profit) (including forward currency contracts)	**282**	(31)
Fees payable to the Auditors for the audit of the Company and consolidated financial statements	**65**	65
Fees payable to the Auditors and its associates for other services:		
– The audit of the Company's subsidiaries pursuant to legislation	**211**	200
– Audit-related assurance services	**24**	17
– Tax compliance services	**23**	23
– Tax advisory services	**116**	49

Adjusting items:

The following items have been charged/(credited) to profit or loss during the year but are of an unusual nature, size or incidence and so are shown separately:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Costs written off relating to both successful and aborted acquisitions	**22**	380
Business review, restructuring and rationalisation costs	**992**	275
Compensation for loss of office	**500**	—
(Decrease)/increase in liability for deferred consideration	**(402)**	109
Other adjusting items (included in operating expenses)	**1,112**	764
Amortisation of intangible assets - publishing rights, titles and benefits	**6,118**	6,286
Share based payments	**918**	924
Total adjusting items (classified in operating profit)	**8,148**	7,974
Unwinding of discount on the provisions for the future purchase of non-controlling interests	**—**	39
Total adjusting items (classified in profit before tax)	**8,148**	8,013

Business review costs relate to the in-depth review undertaken during the year as Wilmington evolves its business to a knowledge-based model and structure. The outcome of the business review included the development of a new corporate website (the Wilmington hub), the re-organisation of staff, a rebranding and a new vision that will help Wilmington create a more compelling offering through a knowledge-based model. Restructuring and rationalisation costs comprise primarily of redundancy and termination costs. Offsetting these costs is a reduction in the estimated deferred consideration liability for NHiS.

Compensation for loss of office of £500,000 relates to Neil Smith, a former Director, who left the business on 31 December 2014. In addition, a further expense of £103,000 is included within share based payments for a compensation for loss of office.

The tax effect of the other adjusting items, amortisation of intangible assets – publishing rights, titles and benefits and share based payments is a £1,698,000 (2014: £1,868,000) decrease to the statutory taxation charge in the income statement.

7. Net finance costs

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Finance costs comprise:		
Interest payable on bank loans and overdrafts (including facility fees)	**(1,754)**	(1,931)
Amortisation of capitalised loan arrangement fees	**(220)**	(168)
Unwinding of the discount on the provisions for the future purchase of non-controlling interests and deferred consideration	**—**	(39)
	(1,974)	(2,138)

8. Taxation

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Current tax:		
UK corporation tax at current rates on profits for the year	**2,392**	2,036
Adjustments in respect of previous years	**16**	(64)
	2,408	1,972
Foreign tax	**895**	1,045
Adjustment in respect of previous years	**36**	(47)
Total current tax	**3,339**	2,970
Deferred tax credit	**(715)**	(458)
Adjustments to deferred tax in respect of previous years	**—**	11
Effect on deferred tax of change in corporation tax rate	**(195)**	(489)
Total deferred tax	**(910)**	(936)
Taxation	**2,429**	2,034

Factors affecting the tax charge for the year:

The tax assessed is higher (2014: higher) than the average rate of corporation tax in the UK of 20.75% (2014: 22.50%). The differences are explained below:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Profit before tax	**10,296**	8,592
Profit multiplied by the average rate of corporation tax in the year of 20.75% (2014: 22.50%)	**2,136**	1,933
Tax effects of:		
Depreciation and amortisation in excess of capital allowances	**192**	523
Foreign tax rate differences	**242**	358
Adjustment in respect of previous years	**52**	(111)
Other items not subject to tax	**2**	(180)
Effect on deferred tax of change of corporation tax rate from 21% to 20% (2014: 23% to 21%)	**(195)**	(489)
Taxation	**2,429**	2,034

On 2 July 2013, the UK corporation tax rate was reduced from 21% to 20% from 1 April 2015. This change has been substantively enacted at the balance sheet date and, therefore, is included in these financial statements. As deferred tax assets and liabilities are measured at the rates that are expected to apply in the periods of the reversal, deferred tax balances at 30 June 2015 have been calculated using a rate of 20%, giving rise to a reduction in the net deferred tax liability of £195,000 (2014: £489,000). The Company's profits for this accounting year are taxed at an effective rate of 20.75%.

9. Dividends

Amounts recognised as distributions to owners of the parent in the year:

	Year ended 30 June 2015 pence per share	Year ended 30 June 2014 pence per share	**Year ended 30 June 2015 £'000**	Year ended 30 June 2014 £'000
Final dividends recognised as distributions in the year	**3.7**	3.5	**3,082**	2,974
Interim dividends recognised as distributions in the year	**3.7**	3.6	**3,288**	3,084
Total dividends paid			**6,370**	6,058
Final dividend proposed	**4.0**	3.7	**3,458**	3,170

10. Earnings per share

Adjusted earnings per share has been calculated using adjusted earnings calculated as profit after taxation and non-controlling interests but before:

- Amortisation of intangible assets – publishing rights, titles and benefits;
- Impairment of goodwill;
- Gain on the disposal of property;
- Unwinding of the discount on the provisions for the future purchase of non-controlling interests and deferred consideration;
- Share based payments; and
- Other adjusting items.

The calculation of the basic and diluted earnings per share is based on the following data:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Earnings from continuing operations for the purpose of basic earnings per share	**7,737**	6,485
Add/(remove):		
Amortisation of intangible assets – publishing rights, titles and benefits	**6,118**	6,286
Other adjusting items	**1,112**	764
Share based payments	**918**	924
Unwinding of the discount on the provisions for the future purchase of non-controlling interests deferred consideration	**—**	39
Tax effect	**(1,698)**	(1,868)
Adjusted earnings for the purposes of adjusted earnings per share	**14,187**	12,630

	Number	Number
Weighted average number of ordinary shares for the purposes of basic and adjusted earnings per share	**86,389,533**	85,408,893
Effect of dilutive potential ordinary shares:		
Future exercise of share awards	**1,154,643**	1,950,638
Deferred consideration to be settled by equity	**107,059**	372,855
Weighted average number of ordinary shares for the purposes of diluted and adjusted diluted earnings per share	**87,651,235**	87,732,386
Basic earnings per share	**8.96p**	7.59p
Diluted earnings per share	**8.83p**	7.39p
Adjusted basic earnings per share ('Adjusted Earnings Per Share')	**16.42p**	14.79p
Adjusted diluted earnings per share	**16.19p**	14.40p

11. Non-current asset held for sale

The assets and liabilities relating to The Knowledge, KFTV and Production Intelligence (Media brands that form part of the Insight segment) have been presented as held for sale following approval of the group's management in June 2015 to sell. The completion date of the disposal was 31 July 2015. The assets and liabilities held for sale are included at their fair value less costs to sell. An accelerated amortisation charge of £175,000 has been recorded as part of the exercise to remeasure associated intangible assets – publishing rights, titles and benefits to fair value.

a) Assets of disposal group classified as held for sale

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Goodwill	**100**	—
Intangible assets	**472**	—
Trade and other receivables	**323**	—
Total	**895**	—

b) Liabilities of disposal group classified as held for sale

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Subscriptions and deferred revenue	**423**	—
Accruals and other payables	**22**	—
Total	**445**	—

12. Goodwill

Cost	£'000
At 1 July 2013	80,532
Additions	60
Acquisitions	3,965
Exchange translation differences	(443)
Movement in offset of provisions for the future purchase of non-controlling interests	(9)
At 1 July 2014	84,105
Additions	—
Assets held for sale	(385)
Exchange translation differences	308
At 30 June 2015	**84,028**
Accumulated impairment	
At 1 July 2013 and 1 July 2014	7,250
Asset held for sale	(285)
At 1 July 2014 and 30 June 2015	**6,965**
Net book amount	
At 30 June 2015	**77,063**
At 30 June 2014	76,855
At 1 July 2013	73,282

The Group tests goodwill annually for impairment. The recoverable amount of the goodwill is determined from value in use calculations for each cash generating unit ('CGU'). These calculations use pre-tax cash flow projections based on financial budgets and forecasts approved by the Board covering a three year period. These pre-tax cash flows beyond the three year period are extrapolated using estimated long-term growth rates.

Key assumptions for the value in use calculations are those regarding discount rates, cash flow forecasts and long-term growth rates. Management has used a pre-tax discount rate of 12.3% (2014: 12.3%) across all CGUs in the UK except for the Healthcare, Legal and Business Intelligence CGU which had a pre-tax discount rate of 13.3% (2014: 13.3%) to reflect the greater market challenges and risks. A pre-tax discount rate of 13.5% (2014: 12.3%) has been used for Compliance Week that operates in North America. These pre-tax discount rates reflect current market assessments for the time value of money and the risks associated with the CGUs as the Group manages its treasury function on a Group-wide basis. The same discount rate has been used for all CGUs except Healthcare, Legal, Insight and Compliance Week as the Directors believe that the risks are the same for each other CGU. The long-term growth rates used are based on management's expectations of future changes in the markets for each CGU and are 2.0% (2014: 2.0%).

Managements impairment calculations based upon the above assumptions show significant headroom with the exception of Compliance Week. For Compliance Week, the value in use exceeds the carrying value by 10%. The impairment review of Compliance Week is sensitive to a reasonable possible change in the key assumptions used; most notably the discount rate, the long-term growth rate and projected operating cash flows. The value in use exceeds the carrying value unless any of the assumptions are changed as follows:

- A decrease in the projected operating cash flows of 9% in each of the next three years; or
- An increase in the pre-tax discount from 13.5% to 14.7%; or
- An decrease in the long-term rate from 2.0% to 0.6%.

Goodwill is allocated to significant CGUs as follows. A CGU is considered to be significant if the goodwill allocated to it is greater than 10% of the total goodwill net book value.

CGU	**30 June 2015 £'000**	30 June 2014 £'000
ICT & Legal	**38,625**	38,625
Axco and Pendragon	**11,150**	11,150
Others	**27,288**	27,080
	77,063	76,855

13. Intangible assets

	Group		
	Publishing rights, titles and benefits £'000	Computer software £'000	Total £'000
Cost			
At 1 July 2013	65,462	4,929	70,391
Additions	22	933	955
Acquisitions	3,965	—	3,965
Disposals	(3,002)	—	(3,002)
Exchange translation differences	(565)	—	(565)
At 1 July 2014	65,882	5,862	71,744
Asset held for sale	(2,492)	(205)	(2,697)
Reclassification between categories	—	(329)	(329)
Additions	—	1,738	1,738
Acquisitions	380	—	380
Exchange translation differences	(62)	(3)	(65)
At 30 June 2015	**63,708**	**7,063**	**70,771**
Accumulated amortisation			
At 1 July 2013	35,258	3,640	38,898
Charge for year	6,286	816	7,102
Disposals	(3,002)	—	(3,002)
At 1 July 2014	38,542	4,456	42,998
Asset held for sale	(2,030)	(195)	(2,225)
Reclassification between categories	—	(871)	(871)
Charge for year	6,118	1,005	7,123
Exchange translation differences	124	(14)	110
At 30 June 2015	**42,754**	**4,381**	**47,135**
Net book amount			
At 30 June 2015	**20,954**	**2,682**	**23,636**
At 30 June 2014	27,340	1,406	28,746
At 1 July 2013	30,204	1,289	31,493

Following an exercise to allocate capital resource to each new division management reclassified the cost and accumulated depreciation included within intangible assets - computer software and property, plant and equipment certain amounts between categories. The reclassification did not result in an adjustment to the income statement or any change to the overall aggregate net book value of intangible assets - computer software and property, plant and equipment.

Included within computer software are assets under construction with a net book amount of £572k (2014: £251k).

14. Property, plant and equipment

Group	Land, freehold and leasehold buildings £'000	Fixtures and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 July 2013	6,106	2,765	3,853	474	13,198
Additions	74	172	588	49	883
Disposals	(61)	(107)	(635)	(41)	(844)
Exchange translation differences	(8)	(13)	(35)	—	(56)
At 1 July 2014	6,111	2,817	3,771	482	13,181
Reclassification between categories	(161)	729	(236)	(3)	329
Additions	—	392	243	194	829
Disposals	—	(10)	(3)	(178)	(191)
Exchange translation differences	—	(19)	(32)	—	(51)
At 30 June 2015	**5,950**	**3,909**	**3,743**	**495**	**14,097**
Accumulated depreciation					
At 1 July 2013	2,407	1,731	2,961	190	7,289
Charge for the year	202	306	415	102	1,025
Disposals	(54)	(82)	(635)	(39)	(810)
Exchange translation differences	(5)	(11)	(34)	—	(50)
At 1 July 2014	2,550	1,944	2,707	253	7,454
Reclassification between categories	(58)	459	472	(2)	871
Charge for the year	229	339	246	104	918
Disposals	—	(10)	(1)	(136)	(147)
Exchange translation differences	—	190	(30)	—	160
At 30 June 2015	**2,721**	**2,922**	**3,394**	**219**	**9,256**
Net book amount					
At 30 June 2015	**3,229**	**987**	**349**	**276**	**4,841**
At 30 June 2014	3,561	873	1,064	229	5,727
At 1 July 2013	3,699	1,034	892	284	5,909

Included in land and buildings is £970,000 (2014: £970,000) of non-depreciated land.

Depreciation of property, plant and equipment is charged to net operating expenses within the income statement.

Following an exercise to allocate capital resource to each new division management reclassified the cost and accumulated depreciation included within intangible assets - computer software and property, plant and equipment certain amounts between categories. The reclassification did not result in an adjustment to the income statement or any change to the overall aggregate net book value of intangible assets - computer software and property, plant and equipment.

15. Trade and other receivables

	Group	
	30 June 2015 £'000	30 June 2014 £'000
Trade receivables	**18,518**	17,917
Prepayments and other receivables	**3,178**	4,472
	21,696	22,389

16. Derivative financial assets and liabilities

	Group	
	30 June 2015	30 June 2014
Current assets	**£'000**	£'000
Forward currency contracts	**338**	37
Current liabilities		
Interest rate swap - maturing in November 2014	—	(78)
Non-current liabilities		
Interest rate swap - maturing in November 2016	**(423)**	(490)

17. Trade and other payables

	Group	
	30 June 2015	30 June 2014
	£'000	£'000
Trade and other payables	**20,410**	21,044
Subscriptions and deferred revenue	**19,165**	19,591
	39,575	40,635

18. Borrowings

	Group	
	30 June 2015	30 June 2014
Current liability	**£'000**	£'000
Bank overdrafts	**496**	642
Bank loans	**37,306**	—
Capitalised loan arrangement fees	**(147)**	—
	37,655	642
Non-current liability		
Bank loans	—	38,041
Capitalised loan arrangement fees	—	(368)
Bank loans net of loan arrangement fees	—	37,673

In accordance with relevant accounting standards bank loans due to expire in February 2016 have been reclassified to current liabilities. On 1 July 2015 the Group extended its £65m revolving credit facility with Barclays Bank PLC, HSBC Bank plc and The Royal Bank of Scotland plc through to 1 July 2020. The terms of the old and the extended facility are included below.

Old facility that expired on 1 July 2015:

The Group had an unsecured committed bank facility of £65.0m (2014: £65.0m) to February 2016. The facility comprised of a revolving credit facility of £60.0m (2014: £60.0m) and an overdraft facility across the Group of £5.0m (2014: £5.0m). At 30 June 2015, £37.3m of the revolving credit facility was drawn down (2014: £38.0m). Interest was charged on the amount drawn down at between 2.00 and 2.75 per cent above LIBOR depending upon leverage, and drawdowns were made for periods of up to six months in duration. Interest was charged on the drawn element of the overdraft facility at 2.00 and 2.55 per cent (the 'Margin') above the Barclays bank base rate depending upon leverage. The Group also paid a fee of 40 per cent of the applicable Margin on the undrawn element of the credit facility and the undrawn overdraft. The Group has complied at all times with the covenant requirements of the bank facility arrangement.

Extended facility that is effective from 1 July 2015 and expires on 1 July 2020:

The Group has an unsecured committed bank facility of £65.0m to 1 July 2020. The facility comprised of a revolving credit facility of £60.0m and an overdraft facility across the Group of £5.0m. In addition, the extended facility also provides for an accordion option whereby the unsecured committed bank facility may be increased by up to £35m to a total commitment of £100m if required subject to majority lending bank consent. Interest is charged on the amount drawn down at between 1.50 and 2.25 (the 'Margin') per cent above LIBOR depending upon leverage, and drawdowns are made for periods of up to six months in duration. Interest is charged on the drawn element of the overdraft facility at 1.50% and 2.25% per cent above the Barclays bank base rate depending upon leverage. The Group also pays a fee of 40% of the applicable Margin on the undrawn element of the credit facility and the undrawn overdraft.

19. Non-controlling interests

	Net Non-controlling interests £'000
At 1 July 2013	145
Profit for the year	73
Dividends paid	(26)
Movement in offset of provisions for the future purchase of non-controlling interests	43
At 30 June 2014	235
Profit for the year	130
Dividends paid	(88)
At 30 June 2015	**277**

20. Cash generated from operations

	Group	
	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Profit from continuing operations before income tax	**10,296**	8,592
Other adjusting items (included in operating expenses)	**1,112**	764
Depreciation of property, plant and equipment	**918**	1,025
Amortisation of intangible assets	**7,123**	7,102
(Profit)/loss on disposal of property, plant and equipment	**(21)**	34
Share based payments (including social security costs)	**918**	924
Net finance costs	**1,974**	2,138
Operating cash flows before movements in working capital	**22,320**	20,579
Decrease/(increase) in trade and other receivables	**371**	(452)
(Decrease)/increase in trade and other payables	**(811)**	77
Cash generated from operations before adjusting items	**21,880**	20,204

Cash conversion is calculated as a percentage of cash generated by operations to Adjusted EBITA as follows:

	Year ended 30 June 2015 £'000	Year ended 30 June 2014 £'000
Funds from operations before adjusting items:		
Adjusted EBITA	**20,418**	18,704
Amortisation of intangible assets - computer software	**1,005**	816
Depreciation of property, plant and equipment	**918**	1,025
(Profit)/loss on disposal of property, plant and equipment	**(21)**	34
Operating cash before movement in working capital	**22,320**	20,579
Net working capital movement	**(440)**	(375)
Funds from operations before adjusting items	**21,880**	20,204
Cash conversion	**107%**	108%
Free cash flows:		
Operating cash before movement in working capital	**22,320**	20,579
(Profit)/loss on disposal of property, plant and equipment	**(22)**	34
Net working capital movement	**(440)**	(375)
Net finance costs paid	**(1,883)**	(1,863)
Tax paid	**(3,680)**	(3,285)
Purchase of property, plant and equipment	**(829)**	(883)
Purchase of intangible assets	**(1,739)**	(955)
Free cash flows	**13,727**	13,252