Wilmington Group plc

Interim Report for the six months ended 31 December 2013

The information and training group, fulfilling the needs of professional businesses.

Wilmington

Wilmington is an ambitious Group with a professional culture and entrepreneurial spirit.

Our Strategy
To increase shareholder value by delivering sustainable and growing profits

Servicing the **information, compliance and education** requirements of professional business markets

To build high quality, high margin businesses with strong barriers to entry and resilience in long term markets

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Ambitious **Professional** **Trusted**

Interim Financial Results

I am pleased to present my report on Wilmington's results for the six months ended 31 December 2013.

During the period, Wilmington has performed well and produced another solid performance with Adjusted EBITA[1] up 15% to £8.2m from £7.1m in 2012. Adjusted Profit before Tax[2] was up 18% to £7.1m (2012: £6.0m). Adjusted EBITA margins[5] also increased to 19.0% up from 17.4% in the equivalent period in 2012.

Revenues were up 5% to £43.1m (2012: £40.9m), reflecting first-time contributions from our three recent acquisitions, which were offset, inter alia, by some continued rationalisation and disposal of underperforming businesses.

Our biggest businesses continue to perform well, in particular, Pensions & Insurance and Banking & Compliance, and these are the areas where we are investing heavily for the Group's future growth. However, we are witnessing more challenging conditions in our Healthcare and Legal markets.

On 15 August 2013, we acquired Compliance Week, the leading provider of governance, risk and compliance ("GRC") information and events for public companies and large enterprises primarily in the US. Compliance Week contributed £1.2m to revenue and £0.2m to profits in the six months ended 31 December 2013.

Underlying adjusted EBITA growth was 3% and underlying revenues were marginally down, 1% lower than the same period in 2012.

Business Strategy

Wilmington's strategy is to increase shareholder value by delivering sustainable and growing profits from servicing the information, compliance and education requirements of professional businesses globally.

Our investment strategy is focused on developing existing businesses and acquiring new ones, with high repeat revenues and strong, cash-generative income streams, both in the UK and overseas. The result of implementing this strategy is a business with an increasing proportion of revenues derived from subscriptions to products which disseminate content-rich, high-value information digitally. Tighter regulatory control and more complex legislation in our key markets will continue to drive the demand for our products and services, both in the UK and overseas.

Operational Review

Pensions & Insurance

19% of Group revenue and 36% of Group contribution

This division, which includes Axco, Pendragon, Inese and ICP, provides in-depth regulatory and compliance information, market intelligence, events, training, analysis and workflow tools for the international insurance market and the UK pensions industry.

	2013 £'000	2012 £'000	Movement £'000	%
Revenue	**8,284**	6,534	1,750	27
Contribution	**3,506**	2,886	620	21
Margin %	**42**	44		

Divisional revenue grew 27% (£1.8m), helped by the addition of Inese, a provider of Spanish language subscription-based publications, events and online services (acquired March 2013), which recorded revenue of £1.2m in the period. Underlying revenue growth was 7% for the division. Axco, which has continued to benefit from significant investment since joining the Group, also reported 7% revenue growth. Axco sales were helped by increasing demand from emerging markets.

Pendragon, the leading electronic regulatory information service for the UK Pensions Industry, maintained its market-leading position and recorded steady revenue growth of 4%. ICP, the leading provider of credit insurance reports for developing markets, has seen a continued increase in demand for its reports, particularly in the Middle East, and delivered revenue growth of 17%.

On top of the continued investment in new products and associated infrastructure, divisional contribution grew by 21% to £3.5m (2012: £2.9m), reflecting the operational leverage within the business and a contribution of £0.2m from Inese. Underlying contribution growth was 11%, reflecting a growth in underlying margins from 44% to 46% excluding Inese.

Banking & Compliance
25% of Group revenue and 28% of Group contribution

The Banking & Compliance division provides corporate finance and capital markets training and accredited programmes in GRC, anti-money laundering, financial crime and trust management. This division primarily serves major banks, the international financial services industry and multinational companies.

	2013	2012	Movement	
	£'000	£'000	£'000	%
Revenue	**10,728**	8,749	1,979	23
Contribution	**2,692**	2,071	621	30
Margin %	**25**	24		

The division continued its strong revenue growth with an increase of 23% (£2.0m) compared to the same period in 2012. Adjusting for currency movements and the acquisition of Compliance Week, the underlying revenue growth was 9%.

ICT (compliance training) has continued to secure major in-house training assignments and has a strong pipeline of projects into 2014. Growth drivers for this division include the provision of compliance and anti-money laundering programmes to international banks and major multinational companies. We continue to see opportunities in emerging markets with recent initiatives in Malaysia and Poland.

AMT, which delivers most of its revenue and contribution during the summer months, has reported revenue growth of 7%, with a particularly strong performance from its graduate programmes in New York.

Our recent acquisition, Compliance Week, has had a good start to the year and the integration has gone well. We have seen promising growth in subscriptions since our restructuring of the marketing and sales teams. Initial forward bookings for the flagship "Compliance Week Annual Conference" look very encouraging. Compliance Week contributed £1.2m to revenue and £0.2m to profits.

Contribution for the division was 30% ahead of the same period last year at £2.7m (2012: £2.1m) on top of continued investment in new programmes, materials and support systems which will help drive future growth. Underlying contribution growth was 20%.

Healthcare
16% of Group revenue and 16% of Group contribution

This division includes Agence de Presse Médicale, our French language medical news agency, NHiS, our pharmaceutical business intelligence and data analysis business, and Binley's, our UK healthcare information business.

	2013	2012	Movement	
	£'000	£'000	£'000	%
Revenue	**6,770**	6,009	761	13
Contribution	**1,551**	1,294	257	20
Margin %	**23**	22		

Divisional revenue was up 13% (£0.8m) but, adjusting for currency movements and the acquisition of NHiS, which recorded revenue of £1.1m and a contribution of £0.3m, the underlying revenue was down 7%. This underlying variance was within our Binley's business and related predominantly to a fall-off in lower margin mailing services and marketing list sales, as well as competitive pressure on our subscription pharmaceutical CRM business. APM had another good trading period with revenue up 4%.

NHiS, a provider of business intelligence, data analysis, workflow tools and other services to pharmaceutical companies in the UK, which was acquired in February 2013, had a strong finish to the period, and this is reflected in good deferred income balances at 31 December 2013. We have been investing in the next generation of data interrogation products, as well as exploring some exciting international opportunities where the NHiS technology and processes are very relevant.

Contribution for the Healthcare division was up by 20% to £1.6m (2012: £1.3m). Adjusting for currency movements and the acquisition of NHiS, underlying contribution was down 10%.

Legal
19% of Group revenue and 6% of Group contribution

The Legal division provides a range of training, professional support services and information including Legal Continuing Professional Development ("CPD"), expert witness training, databases and magazines.

	2013	2012	Movement	
	£'000	£'000	£'000	%
Revenue	**8,398**	9,510	(1,112)	-12
Contribution	**577**	657	(80)	-12
Margin %	**7**	7		

During the half year, revenue in this division reduced by 12% (£1.1m) with an underlying decline of 9%. This reduction reflects adverse trading conditions experienced during our peak period for public courses and a necessary resultant reduction in our prices. We have responded by decreasing our associated cost base by further rationalisation.

There were, however, positive improvements in our other legal markets, in particular our Bond Solon expert witness familiarisation business which saw a 5% increase in revenues.

Despite the reduction of £1.1m in revenue the division's contribution reduced by only £0.1m to £0.6m (2012: £0.7m) mitigated by good cost control.

Business Intelligence
10% of Group revenue and 8% of Group contribution

This division includes our Data Suppression and Fraud Prevention services as well as our Charities, Fund Management and Film & TV information services.

	2013	2012	Movement	
	£'000	£'000	£'000	%
Revenue	**4,268**	5,271	(1,003)	-19
Contribution	**767**	998	(231)	-23
Margin %	**18**	19		

The division is undergoing the most significant transformation of all our businesses, as it continues to exit businesses dependent upon third party intellectual property rights, and transitions from print-based information to digital services, subscription information products and workflow tools. Digital services now represent 69% of divisional revenues (2012: 68%).

Overall divisional revenue was down 19% (£1.0m) compared to the same period in the prior year, of which £0.9m was from exiting third party business, including a low margin email list brokerage service operated by Millennium. We saw traditional print-related revenues drop £0.1m in the period. Underlying revenue decline, adjusting for the brokerage business, was 8%.

Contribution dropped by 23% to £0.8m (2012: £1.0m), reflecting the relatively fixed overhead base of the business, with revenue reduction only partially offset by cost savings.

Accountancy
11% of Group revenue and 7% of Group contribution

The Accountancy division is the leading provider of training, technical support and marketing services to accountancy firms in the UK.

	2013	2012	Movement	
	£'000	£'000	£'000	%
Revenue	**4,699**	4,851	(152)	-3
Contribution	**680**	727	(47)	-6
Margin %	**14**	15		

The first half of the year saw a slight reduction in face-to-face training demand caused by a lack of regulatory changes. These were partially offset by growth in our technical and marketing support business, which represents about one third of our division's business. Overall, divisional revenues declined by £0.2m (3%), and due to the relatively fixed overhead base, divisional contribution declined by £0.05m (6%) compared to the same period in the prior year.

Group Overheads
Group overheads, which include Board and head office salaries and associated costs, as well as unallocated central overheads, were flat at £1.5m.

Property Disposal
As indicated in the 2013 financial report, we disposed of our surplus freehold property for £700,000 in October 2013. The profit on disposal, net of associated costs, was £32,000.

Financial Performance
Revenue for the six months to 31 December 2013 was up 5% (£2.2m) at £43.1m (2012: £40.9m). On a like-for-like basis (excluding the impact of acquisitions, foreign exchange and disposals), revenue was marginally down by 1% (£0.5m). Adjusted EBITA[1] was up 15% at £8.2m (2012: £7.1m).

Adjusted Profit before Tax[2] increased by 18% to £7.1m (2012: £6.0m). This reflects an increase in revenue in businesses operating with higher adjusted EBITA margins together with a flat interest cost of £1.1m (2012: £1.1m).

Profit before tax decreased to £3.7m from £5.1m reflecting, inter alia, reduced exceptional costs this year and the net profit of £3.3m from the disposal of Paulton House in 2012.

Adjusted Earnings per Share[4] increased by 14% to 6.22p (2012: 5.47p). Basic earnings per share decreased to 3.07p from 5.67p and diluted earnings per share decreased to 2.98p from 5.49p.

Balance Sheet
Net assets were maintained at £51.7m compared to 30 June 2013.

Goodwill and Intangible fixed assets increased by £4.2m due principally to the acquisition of Compliance Week offset by normal amortisation. Property, plant and equipment decreased by £0.2m to £5.7m, reflecting normal depreciation.

Trade receivables were up £1.0m, however adjusting for Compliance Week underlying trade receivables were down £0.1m compared to 30 June 2013 reflecting, inter alia, good credit control.

Trade and other payables were down £1.5m compared to 30 June 2013. Within this category, subscriptions and deferred revenue were up £0.7m compared to 30 June 2013 and up £3.6m (23%) compared to 31 December 2012. Of this increase of £3.6m, £2.7m relates to acquisitions made since 31 December 2012, an underlying increase of 6%.

Operating cash flows increased by £1.0m to £6.2m (2012: £5.2m). Overall, debt was up to £40.3m representing a net debt to EBITDA on a rolling 12-month basis of two times. This increase was due largely to our acquisition of Compliance Week for £7.3m ($11.2m). Cash flow conversion, which is seasonally low in the first six months, was 71% compared to 72% in the same period in 2012.

Capital Investment
The Group is increasingly evolving its online capabilities, products and services as well as its international footprint, necessitating investment in global, future proof systems. Over the next two years, in addition to ongoing product and systems development, the Group will be investing in new CRM, process management and CMS infrastructure including Salesforce.com. These exciting investments will provide the foundation for future growth, re-engineer the way we interact with our customers and transform the way we run our businesses.

Dividend
The Board is pleased to announce that, given the improved financial performance of the business, it will resume its progressive dividend policy and the interim dividend will increase from 3.5p per share to 3.6p per share, an increase of 3%. It is the Board's intention to grow the dividend each year whilst ensuring a suitable dividend cover is maintained. The interim dividend of 3.6p per share (2012: interim 3.5p) will be paid on 10 April 2014 to shareholders on the share register as at 14 March 2014.

Outlook
We have had a solid start to 2014 and the financial performance is on track to support our expectations for the full year. The overall trading environment has not changed significantly since the full year 2013 results announcement. Our bigger businesses, Banking & Compliance and Pensions & Insurance, are performing well with each enjoying strong organic growth. As expected, Legal had a difficult end to the Legal CPD year and continues to face challenging market conditions. There have also been strong competitive pressures in our Healthcare division but our prognosis for the medium term is encouraging with new products and potentially new markets opening up for us. As we move into the second half, cash flow is strong and will provide resources for further investment, a growing dividend and, in the absence of acquisitions, a reduction in our debt.

Mark Asplin
Chairman

[1] Adjusted EBITA – see note 5 to the interim financial results.
[2] Adjusted Profit before Tax – see note 5 to the interim financial results.
[3] Group Contribution – see note 6 to the interim financial results.
[4] Adjusted Earnings per Share – see note 11 to the interim financial results.
[5] Adjusted EBITA margin – Adjusted EBITA divided by Revenue

Consolidated Income Statement

	Notes	**Six months ended 31 December 2013 (unaudited) £'000**	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Revenue	6	**43,147**	40,924	85,048
Cost of sales		**(12,302)**	(12,557)	(26,064)
Gross profit		**30,845**	28,367	58,984
Operating expenses		**(26,061)**	(22,117)	(51,612)
Operating profit	5	**4,784**	6,250	7,372
Operating profit before amortisation, impairment, share-based payments and non-recurring items		**8,218**	7,131	16,865
Amortisation of publishing rights, titles and benefits		**(2,805)**	(2,803)	(6,105)
Impairment of goodwill		**–**	–	(4,500)
Share-based payments		**(429)**	(354)	(888)
Non-recurring items	7	**(200)**	2,276	2,000
Operating profit		**4,784**	6,250	7,372
Finance income	8	**2**	1	4
Finance costs	8	**(1,118)**	(1,159)	(2,260)
Profit before tax		**3,668**	5,092	5,116
Taxation	9	**(992)**	(258)	(1,484)
Profit for the period		**2,676**	4,834	3,632
Attributable to:				
Owners of the parent		**2,618**	4,789	3,537
Non-controlling interests		**58**	45	95
		2,676	4,834	3,632
Earnings per share attributable to owners of the parent:				
Basic earnings per share	11	**3.07p**	5.67p	4.17p
Diluted earnings per share	11	**2.98p**	5.49p	4.07p
Adjusted basic earnings per share ("Adjusted Earnings Per Share")	11	**6.22p**	5.47p	13.06p
Adjusted diluted earnings per share	11	**6.04p**	5.31p	12.74p

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

All items in the current and comparative periods relate to continuing activities.

Consolidated Statement of Comprehensive Income

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Profit for the period	**2,676**	4,834	3,632
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to the Income Statement			
Interest rate swap fair value gain/(loss) taken directly to equity	**319**	(12)	286
Tax on interest rate swap gain/(loss) taken directly to equity	**(67)**	3	(80)
Exchange differences on translation of foreign operations	**(89)**	(51)	51
Fair value movements on net investment hedge	**(135)**	–	21
Other comprehensive income/(expense) for the period, net of tax	**28**	(60)	278
Total comprehensive income for the period	**2,704**	4,774	3,910
Total comprehensive income for the period attributable to:			
Owners of the parent	**2,646**	4,730	3,815
Non-controlling interests	**58**	44	95
	2,704	4,774	3,910

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

	Notes	31 December 2013 (unaudited) £'000	31 December 2012 (unaudited) £'000	30 June 2013 (audited) £'000
Non-current assets				
Goodwill	13	**76,966**	74,505	73,282
Intangible assets	13	**32,042**	28,886	31,493
Property, plant and equipment	13	**5,743**	6,430	5,909
Deferred tax asset		**591**	727	887
		115,342	110,548	111,571
Current assets				
Inventories		**31**	42	54
Trade and other receivables	14	**22,096**	18,849	21,325
Derivative financial assets	18	**149**	38	–
Cash and cash equivalents		**8,077**	4,000	7,803
		30,353	22,929	29,182
Non-current assets held for sale		**–**	–	657
Total assets		**145,695**	133,477	141,410
Current liabilities				
Trade and other payables	15	**(37,707)**	(32,181)	(39,254)
Current tax liabilities		**(1,144)**	(952)	(1,533)
Deferred consideration		**(330)**	(160)	(224)
Derivative financial liabilities	18	**–**	–	(63)
Bank overdrafts		**(298)**	–	(890)
Provision for the future purchase of non-controlling interests	16	**(46)**	–	–
		(39,525)	(33,293)	(41,964)
Non-current liabilities				
Bank loans	17	**(47,705)**	(37,341)	(39,751)
Deferred consideration – equity-settled		**(619)**	(648)	(619)
Deferred consideration – cash-settled		**–**	–	(261)
Derivative financial liabilities	18	**(777)**	(1,458)	(1,096)
Deferred tax liability		**(5,184)**	(5,755)	(5,822)
Provision for the future purchase of non-controlling interests	16	**(146)**	(171)	(183)
		(54,431)	(45,373)	(47,732)
Total liabilities		**(93,956)**	(78,666)	(89,696)
Net assets		**51,739**	54,811	51,714
Equity				
Share capital	19	**4,305**	4,305	4,305
Share premium	19	**45,231**	45,231	45,231
Treasury shares	19	**(878)**	(2,356)	(2,356)
Translation reserve		**(30)**	43	59
Share-based payments reserve		**696**	1,126	1,560
Retained earnings		**2,238**	6,352	2,770
Equity attributable to owners of the parent		**51,562**	54,701	51,569
Non-controlling interests		**177**	110	145
Total equity		**51,739**	54,811	51,714

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Attributable to Equity Shareholders of the Company						
	Share capital (note 19) £'000	Share-based payments reserve £'000	Translation reserve £'000	Retained earnings £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
At 1 July 2012 (audited)	**45,528**	**815**	**93**	**5,160**	**51,596**	**–**	**51,596**
Profit for the period	–	–	–	4,789	4,789	45	4,834
Exchange differences on translation of foreign operations	–	–	(50)	–	(50)	(1)	(51)
Fair value movements on interest rate swaps	–	–	–	(12)	(12)	–	(12)
Tax on other comprehensive income	–	–	–	3	3	–	3
	45,528	815	43	9,940	56,326	44	56,370
Dividends to shareholders	–	–	–	(2,974)	(2,974)	(27)	(3,001)
Share-based payments	–	311	–	–	311	–	311
Reissue of treasury shares	1,652	–	–	(614)	1,038	–	1,038
Movements in non-controlling interests	–	–	–	–	–	80	80
Movements in offset of provision for the future purchase of non-controlling interests	–	–	–	–	–	13	13
At 31 December 2012 (unaudited)	**47,180**	**1,126**	**43**	**6,352**	**54,701**	**110**	**54,811**
Loss for the period	–	–	–	(1,252)	(1,252)	50	(1,202)
Exchange differences on translation of foreign operations	–	–	101	–	101	1	102
Fair value movements on interest rate swaps	–	–	–	298	298	–	298
Fair value movements on net investment hedge	–	–	–	21	21	–	21
Tax on other comprehensive income	–	–	–	(83)	(83)	–	(83)
	47,180	1,126	144	5,336	53,786	161	53,947
Dividends to shareholders	–	–	–	(2,973)	(2,973)	–	(2,973)
Share-based payments	–	434	–	322	756	–	756
Translation reserve realised on disposal of overseas subsidiary	–	–	(85)	85	–	–	–
Movements in offset of provision for the future purchase of non-controlling interests	–	–	–	–	–	(16)	(16)
At 30 June 2013 (audited)	**47,180**	**1,560**	**59**	**2,770**	**51,569**	**145**	**51,714**
Profit for the period	–	–	–	2,618	2,618	58	2,676
Exchange differences on translation of foreign operations	–	–	(89)	–	(89)	–	(89)
Fair value movements on interest rate swaps	–	–	–	319	319	–	319
Fair value movements on net investment hedges	–	–	–	(135)	(135)	–	(135)
Tax on other comprehensive income	–	–	–	(67)	(67)	–	(67)
	47,180	1,560	(30)	5,505	54,215	203	54,418
Dividends to shareholders	–	–	–	(2,974)	(2,974)	(26)	(3,000)
Share-based payments	–	225	–	41	266	–	266
Reissue of treasury shares	1,478	(1,089)	–	(334)	55	–	55
Movements in non-controlling interests	–	–	–	–	–	–	–
Movements in offset of provision for the future purchase of non-controlling interests	–	–	–	–	–	–	–
At 31 December 2013 (unaudited)	**48,658**	**696**	**(30)**	**2,238**	**51,562**	**177**	**51,739**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

	Notes	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Cash flows from operating activities				
Cash generated from operations before non-recurring items	20	**5,833**	5,159	19,411
Net finance costs paid		**(859)**	(984)	(2,011)
Tax paid		**(1,690)**	(1,280)	(2,926)
Net cash inflow from operating activities		**3,284**	2,895	14,474
Cash flows from investing activities				
Purchase of businesses		**(7,342)**	–	(1,151)
Deferred consideration paid		**(168)**	(161)	(171)
Purchase of subsidiaries		**–**	–	(5,523)
Purchase of non-controlling interests	16	**–**	(1,707)	(1,707)
Cash acquired on purchase of subsidiaries		**–**	–	547
Cash received from non-controlling interests		**–**	80	80
Non-recurring costs		**(200)**	(633)	(1,224)
Purchase of property, plant and equipment	13	**(407)**	(506)	(1,217)
Proceeds from disposal of property, plant and equipment		**710**	4,407	4,450
Purchase of intangible assets	13	**(228)**	(261)	(764)
Net cash (outflow)/inflow from investing activities		**(7,635)**	1,219	(6,680)
Cash flows from financing activities				
Dividends paid to owners of the parent		**(2,974)**	(2,974)	(5,947)
Dividends paid to non-controlling interests		**(26)**	(27)	(27)
Reissue of treasury shares		**55**	1,038	1,038
Increase in long-term loans		**8,562**	–	2,286
Net cash inflow/(outflow) from financing activities		**5,617**	(1,963)	(2,650)
Net increase in cash and cash equivalents, net of bank overdrafts		**1,266**	2,151	5,144
Cash and cash equivalents, net of bank overdrafts, at beginning of the period		**6,913**	1,795	1,795
Cash and cash equivalents, net of bank overdrafts, at end of the period		**8,179**	3,946	6,939
Reconciliation of net debt				
Cash and cash equivalents at beginning of the period		**7,803**	3,954	3,954
Bank overdrafts at beginning of the period		**(890)**	(2,159)	(2,159)
Bank loans at beginning of the period	17	**(40,286)**	(38,000)	(38,000)
Net debt at beginning of the period		**(33,373)**	(36,205)	(36,205)
Net increase in cash and cash equivalents, net of bank overdrafts		**1,266**	2,151	5,144
(Increase) in long-term loans		**(8,562)**	–	(2,286)
Effect of foreign exchange rate changes		**331**	54	(26)
Cash and cash equivalents at end of the period		**8,077**	4,000	7,803
Bank overdrafts at end of the period		**(298)**	–	(890)
Bank loans at end of the period	17	**(48,117)**	(38,000)	(40,286)
Net debt at end of the period		**(40,338)**	(34,000)	(33,373)

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Financial Results

1. General information
The Company is a public limited company incorporated and domiciled in the UK. The address of its registered office is 6-14 Underwood Street, London N1 7JQ.

The Company has its primary listing on the London Stock Exchange.

This condensed consolidated interim financial information ("Interim Information") was approved for issue on 25 February 2014.

The Interim Information is unaudited and does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2013 were approved by the Board of Directors on 18 September 2013. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

2. Basis of preparation
This Interim Information for the six months ended 31 December 2013 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and in accordance with IAS 34 "Interim financial reporting" as adopted by the European Union. The Interim information should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2013, which have been prepared in accordance with IFRSs as adopted by the European Union, and are available on the Group's website www.wilmington.co.uk.

Going Concern
The Group's forecast and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate well within the level of its current banking facilities. The Directors have therefore adopted a going concern basis in preparing the Interim Information.

3. Accounting policies
The accounting policies applied are consistent with those of the Annual Financial Statements for the year ended 30 June 2013, as described in those Annual Financial Statements.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 July 2013, but are either not relevant to the Group or do not have a significant impact:

- IFRS 10 "Consolidated Financial Statements":
  IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements.
- IFRS 11 "Joint arrangements":
  IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The Group has no such arrangements.
- IFRS 12 "Disclosure of interests in other entities":
  IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance-sheet vehicles. The Group has no interests in such other entities.
- IFRS 13 "Fair value measurement":
  IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures. It defines fair value, sets out a framework for measuring fair value, and requires disclosures about fair value measurements. It applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements. The fair value disclosures in the Annual Financial Statements will be reassessed in the context of IFRS 13, but this new standard is not anticipated to have a significant impact on the Group.

3. Accounting policies continued

- "Annual Improvements to IFRSs 2009-2011 Cycle":
  Amendments include an amendment to IAS 1 "Presentation of Financial Statements" to clarify the requirements for providing comparative information, and an amendment to IAS 32 "Financial Instruments: Presentation" to clarify the income tax consequences of distributions to holders of an equity instrument. The amendments are not anticipated to have a significant impact on the Group.
- IAS 19 "Employee benefits":
  These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. The Group does not operate a defined benefit pension scheme.
- IAS 27 "Separate Financial Statements":
  This standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- IAS 28 "Investments in associates and joint ventures":
  This standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. The Group has no investments in associates and joint ventures.
- Amendment to IFRS 1 "First-time adoption on government loans":
  This amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS. It also adds an exception to the retrospective application of IFRS, which provides the same relief to first-time adopters granted to existing preparers of IFRS financial statements when the requirement was incorporated into IAS 20 in 2008. The Group receives no government loans.
- Amendment to IFRS 7 "Financial instruments asset and liability offsetting":
  This amendment reflects the joint IASB and FASB requirements to enhance current offsetting disclosures. These new disclosures are intended to facilitate comparison between those entities that prepare IFRS financial statements and those that prepare US GAAP financial statements. The Group reports under IFRS only.

The following new standards and amendments to standards have been issued but are not yet effective for the purposes of the Interim Report and have not been early adopted:

- IFRS 9 "Financial instruments" – effective date: periods beginning on or after 1 January 2015.
- Amendments to IFRS 9 "Financial instruments, regarding general hedge accounting" – effective date: not yet specified.
- IFRS10, IFRS 12 and IAS 27 for investment entities – effective date: periods beginning on or after 1 January 2014.
- Amendments to IAS 19 "Defined benefit plans" – effective date: periods beginning on or after 1 July 2014.
- Amendments to IAS 32 "Financial Instruments: Presentation" on offsetting financial assets and financial liabilities – effective date: periods beginning on or after 1 January 2014.
- Amendments to IAS 36 "Impairment of assets" – effective date: periods beginning on or after 1 January 2014.
- Amendments to IAS 39 "Financial Instruments: Recognition and measurement" on novation of derivatives and hedge accounting – effective date: periods beginning on or after 1 January 2014.

4. Principal risks and uncertainties

The principal business risks that affect the Group are as stated on pages 20 and 21 of the Business Review in the Annual Report and Financial Statements for the year ended 30 June 2013.

The main financial risks that affect the Group are:

(a) Liquidity and capital risk

The Group has an unsecured committed bank facility of £65m (2012: £65m) to February 2016. The facility currently comprises a revolving credit facility of £60m (2012: £60m) and an overdraft facility of £5m (2012: £5m). At 31 December 2013, £48m (2012: £38m) of the revolving credit facility was drawn down. The bank overdrafts are the subject of a Group set-off arrangement.

The Group met the requirements of the bank facility financial covenants throughout the period.

(b)Interest rate risk

The Group financing arrangements include external debt that is subject to a variable interest rate. The Group is consequently exposed to cash flow volatility arising from fluctuations in market interest rates applicable to that external finance. In particular, interest is charged on the £48m (2012: £38m) amount drawn down on the revolving credit facility at a rate of between 2.00 and 2.75 per cent above LIBOR depending upon leverage. Cash flow volatility therefore arises from movements in the LIBOR interest rates.

The Group finances its operations through a mixture of retained profits, operational cash flow and bank borrowings. Historically the Group has expanded its operations both organically and by acquisition, which has led on occasions to the need for external finance.

In November 2010, the Group entered into two hedging instruments. Firstly, a 5-year £15m interest rate swap, fixed against 3-month LIBOR, with a forward start of 21 November 2011, paying interest on £15m at a fixed rate of 2.68% was entered into. Secondly, in November 2010, a 3-year £10m interest rate swap, fixed against 3-month LIBOR, with a forward start of 21 November 2011, paying interest on £10m at a fixed rate of 2.12% was entered into. These derivatives have been designated as cash flow hedges in order to manage interest rate risk associated with the first £25m of the credit facility. Payments received under the swaps have been matched against interest paid quarterly during the period and the entire mark to market gain/(loss) on the derivatives has been recognised in equity, following the Directors' assessment of the hedge's effectiveness.

The fair value of the interest rate swap derivatives at 31 December 2013 was £0.8m (2012: £1.5m).

4. Principal risks and uncertainties continued

(c) Foreign currency risk

The Group has significant Euro and US dollar cash flows arising from international trading and overseas operations. The Group is consequently exposed to cash flow volatility arising from fluctuations in the applicable exchange rates for converting Euros and US dollars to Sterling.

The Group policy is to fix the exchange rate in relation to a periodically reassessed set percentage of expected Euro and US dollar net cash inflows arising from international trading by entering into foreign currency contracts to sell a specified amount of Euros or US dollars on a specified future date at a specified exchange rate. Details of the forward currency contracts in the financial period are as follows:

- On 22 April 2013, the Group sold forward $1.0m to 10 December 2013 at a rate of 1.5248. On 20 June 2013, the Group sold forward $2.0m to 31 October 2013 at a rate of 1.545, $1.0m to 28 February 2014 at a rate of 1.5419, and $2.5m to 31 March 2014 at a rate of 1.5417. These contracts were entered into in order to provide certainty in Sterling terms of 80% of the Group's net US dollar income.
- On 28 June 2013, the Group sold forward €0.5m to 30 September 2013 at a rate of 1.1673, €1.5m to 30 September 2013 at a rate of 1.1673, €1.0m to 29 November 2013 at a rate of 1.1664, and €0.5m to 28 February 2014 at a rate of 1.1655. These contracts were entered into in order to provide certainty in Sterling terms of 80% of the Group's net Euro income.

The Group policy is to finance investment in overseas operations from borrowings in the local currency of the relevant operation, so as to achieve a natural hedge of the foreign currency translation risk.

In March 2013, the Group purchased the business and assets of Inese, an operation in Spain. This was financed using a €1.5m drawdown on the Group's multi-currency revolving loan facility.

The Group also purchased, on 15 August 2013, the business and assets of Compliance Week, an operation in America. The Group financed this acquisition via a $12m drawdown on the Group's multi-currency revolving loan facility.

These debts have been designated as a currency hedge of a net investment in a foreign operation for accounting purposes and are translated into Sterling at each reporting date, giving rise to a gain or loss, the entire amount of which is recognised in equity following the Directors' assessment of the hedge's effectiveness.

5. Adjusted Profit

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

- amortisation of publishing rights, titles and benefits;
- impairment of goodwill;
- unwinding of the discount on deferred consideration;
- unwinding of the discount on the provision for the future purchase of non-controlling interests;
- share-based payments; and
- non-recurring items (including net gain on disposal of property).

5. Adjusted Profit continued

Adjusted Profit reconciles to profit before tax as follows:

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Profit before tax	**3,668**	5,092	5,116
Net finance costs (excluding the unwinding of the discounts)	**1,094**	1,110	2,163
Unwinding of the discount on the provision for the future purchase of non-controlling interests (see note 16)	**9**	6	16
Unwinding of the discount on deferred consideration	**13**	42	77
Operating profit	**4,784**	6,250	7,372
Amortisation of publishing rights, titles and benefits (see note 13)	**2,805**	2,803	6,105
Impairment of goodwill (see note 13)	**–**	–	4,500
Share-based payments	**429**	354	888
Net gain on disposal of property (see note 7)	**–**	(3,319)	(3,325)
Other non-recurring items (see note 7)	**200**	1,043	1,325
Operating profit before amortisation, impairment, share-based payments and non-recurring items ("Adjusted EBITA")	**8,218**	7,131	16,865
Depreciation of property, plant and equipment (see note 13)	**484**	515	1,043
Amortisation of computer software (see note 13)	**433**	317	755
Adjusted EBITA before depreciation ("Adjusted EBITDA")	**9,135**	7,963	18,663

Adjusted Profit before Tax is calculated as follows:

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Adjusted EBITA (as above)	**8,218**	7,131	16,865
Net finance costs (excluding the unwinding of the discounts)	**(1,094)**	(1,110)	(2,163)
Adjusted Profit before Tax	**7,124**	6,021	14,702

6. Segmental information

The Group's operating segments are reported in a manner consistent with the internal financial information provided to the Board, which represents the chief operating decision maker.

The Group's organisational structure reflects the different professional markets to which it provides information, compliance and education. The six professional divisions (Pensions & Insurance, Banking & Compliance, Healthcare, Legal, Business Intelligence and Accountancy) are the Group's reportable 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.

6. Segmental information continued

(a) Business segments

	Six months ended 31 December 2013 (unaudited)	
	Revenue £'000	Contribution £'000
Pensions & Insurance	**8,284**	**3,506**
Banking & Compliance	**10,728**	**2,692**
Healthcare	**6,770**	**1,551**
Legal	**8,398**	**577**
Business Intelligence	**4,268**	**767**
Accountancy	**4,699**	**680**
Unallocated central overheads	**–**	**(1,555)**
Total revenue	**43,147**	
Operating profit before amortisation of publishing rights, titles and benefits, impairment, share-based payments and non-recurring items ("Adjusted EBITA")		**8,218**
Amortisation of publishing rights, titles and benefits (see note 13)		**(2,805)**
Net gain on disposal of property (see note 7)		**–**
Other non-recurring items (see note 7)		**(200)**
Share-based payments		**(429)**
Net finance costs		**(1,094)**
Unwinding of discounts		**(22)**
Profit for the period before tax		**3,668**
Taxation (see note 9)		**(992)**
Profit for the period		**2,676**

	Six months ended 31 December 2012 (unaudited)	
	Revenue £'000	Contribution £'000
Pensions & Insurance	6,534	2,886
Banking & Compliance	8,749	2,071
Healthcare	6,009	1,294
Legal	9,510	657
Business Intelligence	5,271	998
Accountancy	4,851	727
Unallocated central overheads	–	(1,502)
Total revenue	40,924	
Operating profit before amortisation of publishing rights, titles and benefits, impairment, share-based payments and non-recurring items ("Adjusted EBITA")		7,131
Amortisation of publishing rights, titles and benefits (see note 13)		(2,803)
Net gain on disposal of property (see note 7)		3,319
Other non-recurring items (see note 7)		(1,043)
Share-based payments		(354)
Net finance costs		(1,110)
Unwinding of discounts		(48)
Profit for the period before tax		5,092
Taxation (see note 9)		(258)
Profit for the period		4,834

6. Segmental information continued

	Twelve months ended 30 June 2013 (audited)	
	Revenue £'000	Contribution £'000
Pensions & Insurance	14,629	6,093
Banking & Compliance	16,566	3,513
Healthcare	13,058	2,836
Legal	19,266	2,884
Business Intelligence	10,948	2,523
Accountancy	10,581	2,135
Unallocated central overheads	–	(3,119)
Total revenue	85,048	
Operating profit before amortisation of publishing rights, titles and benefits, impairment, share-based payments and non-recurring items ("Adjusted EBITA")		16,865
Amortisation of publishing rights, titles and benefits (see note 13)		(6,105)
Impairment of goodwill (see note 13)		(4,500)
Net gain on disposal of property (see note 7)		3,325
Other non-recurring items (see note 7)		(1,325)
Share-based payments		(888)
Net finance costs		(2,163)
Unwinding of discounts		(93)
Profit for the period before tax		5,116
Taxation (see note 9)		(1,484)
Profit for the period		3,632

(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:

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
UK	**27,983**	28,918	58,159
Europe, excluding the UK	**7,057**	5,373	13,070
North America	**5,058**	3,982	7,422
Rest of the World	**3,049**	2,651	6,397
	43,147	40,924	85,048

7. Non-recurring items

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

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Net gain on disposal of property	**–**	3,319	3,325
Costs written off relating to both successful and abortive acquisitions	**(200)**	(16)	(270)
Restructuring and rationalisation costs	**–**	(397)	(593)
Impairment of property, plant and equipment (see note 13)	**–**	(325)	(325)
Costs relating to rationalisation of publishing operations	**–**	(305)	(339)
Reduction in liability for deferred consideration	**–**	–	440
Termination costs of joint venture contract	**–**	–	(238)
Total other non-recurring items	**(200)**	(1,043)	(1,325)
Total non-recurring items	**(200)**	2,276	2,000

8. Finance income and costs

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Finance income comprises:			
Bank interest receivable	**2**	1	4
Finance costs comprise:			
Interest payable on bank loans and overdrafts	**(872)**	(849)	(1,653)
Facility fees	**(100)**	(138)	(267)
Write off of loan arrangement fee	**(124)**	(124)	(247)
Unwinding of the discount on the provision for the future purchase of non-controlling interests (see note 16)	**(9)**	(6)	(16)
Unwinding of the discount on deferred consideration	**(13)**	(42)	(77)
	(1,118)	(1,159)	(2,260)

9. Taxation

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Current tax:			
UK corporation tax at current rates on profits for the period	**632**	769	2,382
Adjustments in respect of previous years	**(28)**	(20)	30
	604	749	2,412
Foreign tax	**705**	359	854
Adjustments to foreign tax in respect of previous years	**(9)**	2	(4)
Total current tax	**1,300**	1,110	3,262
Deferred tax:			
Deferred tax credit	**(52)**	(730)	(1,469)
Adjustments to deferred tax in respect of previous years	**4**	–	(41)
Effect on deferred tax of change in corporation tax rate	**(260)**	(122)	(268)
Total deferred tax	**(308)**	(852)	(1,778)
Taxation	**992**	258	1,484

10. Dividends

Distributions to owners of the parent in the period:

	Six months ended 31 December 2013 pence per share (unaudited)	Six months ended 31 December 2012 pence per share (unaudited)	Twelve months ended 30 June 2013 pence per share (audited)	**Six months ended 31 December 2013 £'000 (unaudited)**	Six months ended 31 December 2012 £'000 (unaudited)	Twelve months ended 30 June 2013 £'000 (audited)
Final dividends recognised as distributions in the year	**3.50**	3.50	3.50	**2,974**	2,974	2,973
Interim dividends recognised as distributions in the year	**–**	–	3.50	**–**	–	2,974
Total dividends paid in the period				**2,974**	2,974	5,947
Interim dividend proposed	**3.60**	3.50	3.50	**3,084**	2,974	2,974

11. Earnings per share

Adjusted Earnings per Share has been calculated using adjusted earnings calculated as profit after tax and non-controlling interests but before:

- amortisation of publishing rights, titles and benefits;
- impairment of goodwill;
- unwinding of the discount on deferred consideration;
- unwinding of the discount on the provision for the future purchase of non-controlling interests;
- share-based payments; and
- non-recurring items (including net gain on disposal of property).

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

	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Earnings from continuing operations for the purpose of basic earnings per share	**2,618**	4,789	3,537
Add/(remove):			
Amortisation of publishing rights, titles and benefits (net of non-controlling interest effect)	**2,805**	2,803	6,105
Impairment of goodwill	**–**	–	4,500
Net gain on disposal of property	**–**	(3,319)	(3,325)
Other non-recurring items	**200**	1,043	1,325
Share-based payments	**429**	354	888
Unwinding of the discount on the provision for the future purchase of non-controlling interests	**9**	6	16
Unwinding of the discount on deferred consideration	**13**	42	77
Tax effect	**(773)**	(1,092)	(2,057)
Adjusted earnings for the purposes of adjusted earnings per share	**5,301**	4,626	11,066

	Number	Number	Number
Weighted average number of ordinary shares for the purpose of basic and adjusted earnings per share	**85,251,725**	84,494,470	84,727,804
Effect of dilutive potential ordinary shares:			
Future exercise of share options	**2,292,566**	2,683,458	1,992,729
Deferred consideration to be settled by equity	**257,648**	–	156,550
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**87,801,939**	87,177,928	86,877,083
Basic earnings per share	**3.07p**	5.67p	4.17p
Diluted earnings per share	**2.98p**	5.49p	4.07p
Adjusted basic earnings per share ("Adjusted Earnings Per Share")	**6.22p**	5.47p	13.06p
Adjusted diluted earnings per share	**6.04p**	5.31p	12.74p

12. Business combinations

The Group acquired the trading assets and certain liabilities of Compliance Week, the leading provider of governance, risk and compliance ("GRC") information and events for public companies and large enterprises, primarily in the US, on 15 August 2013. Compliance Week was acquired for a net consideration of $11.215m (£7.411m) in cash. Subsequently, $0.196m (£0.129m) was repaid to the Group in respect of the net current asset adjustment. Further contingent consideration of up to $3m is potentially payable in cash, subject to Compliance Week achieving challenging profit growth targets in the financial year ending 30 June 2015.

IFRS 3 (revised) was applied to the acquisition of Compliance Week. At present, the fair valuation of the assets and liabilities acquired has not been completed and the values below, for intangible assets and goodwill, are provisional. The final results of this fair valuation exercise will be reflected in the Financial Statements for the year ending 30 June 2014. An estimate of any contingent consideration due will also be included in the Financial Statements for the year ending 30 June 2014 and would result in a corresponding increase in the value of goodwill.

Acquisition-related costs of £173,000 have been recognised as part of the costs written off relating to both successful and abortive acquisitions of £200,000, shown as non-recurring items in the Income Statement (see note 7).

The acquisition of Compliance Week is consistent with the Group's strategy of acquiring businesses with high repeat revenues and strong cash-generative income streams in the Group's key markets. The business forms part of the Banking & Compliance Division and works closely with other Group companies, providing them with closer access to their North American customers and markets, as well as opportunities for developing new revenue streams.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	£'000
Purchase consideration	
Initial cash paid	7,411
Net current asset adjustment repayment	(129)
Net purchase consideration paid	7,282

The provisional fair value assets and liabilities recognised as a result of the acquisition are as follows:

	Provisional fair value £'000
Total intangible assets (see note 13)	3,965
Trade and other receivables	558
Subscriptions and deferred revenue	(1,075)
Trade and other payables	(131)
Net identifiable assets acquired	3,317
Provisional goodwill (see note 13)	3,965
	7,282

The goodwill is attributable to Compliance Week's strong position and profitability in trading in the international compliance and regulatory information market, the new product development potential and synergies expected to arise after the Company's acquisition of the new business.

12. Business combinations continued

The acquired business contributed revenues of £1,173,000 and profit before divisional overheads, tax and amortisation, of £214,000 to the Group for the period from their date of acquisition to 31 December 2013. If the acquisitions had occurred on 1 July 2013, consolidated revenue and consolidated operating profit before amortisation, impairment, share-based payments and non-recurring items for the six months ended 31 December 2013 would have been £43,509,000 and £8,267,000 respectively.

A further £60,000 was incurred as a net asset adjustment relating to NHiS Limited, a company acquired in February 2013. Further details of this acquisition are disclosed in note 12 of the Financial Statements for the year ended 30 June 2013.

13. Goodwill, Intangible assets and Property, plant and equipment

	Goodwill £'000	Intangible assets £'000	Property, plant and equipment £'000
At 1 July 2012 (audited)	74,593	31,522	6,772
Additions	–	261	506
Acquisitions	–	245	–
Disposals	–	(22)	(12)
Exchange translation differences	–	–	4
Depreciation of property, plant and equipment	–	–	(515)
Amortisation of publishing rights, titles and benefits	–	(2,803)	–
Amortisation of computer software	–	(317)	–
Impairment of property, plant and equipment	–	–	(325)
Change in provision for the future purchase of non-controlling interests	(101)	–	–
Movement in offset of provision for the future purchase of non-controlling interests	13	–	–
Closing net book amount as at 31 December 2012 (unaudited)	74,505	28,886	6,430
Additions	–	503	711
Acquisitions	3,291	5,801	35
Sale of subsidiary undertakings	–	–	(2)
Disposals	–	22	(80)
Transfer to assets held for sale	–	–	(658)
Exchange translation differences	–	21	1
Depreciation of property, plant and equipment	–	–	(528)
Amortisation of publishing rights, titles and benefits	–	(3,302)	–
Amortisation of computer software	–	(438)	–
Impairment of goodwill	(4,500)	–	–
Change in provision for the future purchase of non-controlling interests	2	–	–
Movement in offset of provision for the future purchase of non-controlling interests	(16)	–	–
Closing net book amount as at 30 June 2013 (audited)	73,282	31,493	5,909
Additions	60	228	407
Acquisitions	3,965	3,965	–
Disposals	–	(48)	(21)
Transfer to assets held for sale	–	–	–
Exchange translation differences	(341)	(358)	(68)
Depreciation of property, plant and equipment	–	–	(484)
Amortisation of publishing rights, titles and benefits	–	(2,805)	–
Amortisation of computer software	–	(433)	–
Closing net book amount as at 31 December 2013 (unaudited)	76,966	32,042	5,743

14. Trade and other receivables

	31 December 2013 (unaudited) £'000	31 December 2012 (unaudited) £'000	30 June 2013 (audited) £'000
Trade receivables	**18,244**	14,887	17,211
Other receivables	**1,585**	1,210	1,968
Prepayments and accrued income	**2,267**	2,752	2,146
	22,096	18,849	21,325

15. Trade and other payables

	31 December 2013 (unaudited) £'000	31 December 2012 (unaudited) £'000	30 June 2013 (audited) £'000
Trade payables	**4,092**	2,077	3,995
Other payables	**2,775**	3,383	2,623
Social security and other taxes	**2,676**	2,781	3,591
Subscriptions and deferred revenue	**19,227**	15,594	18,563
Accruals	**8,937**	8,346	10,482
	37,707	32,181	39,254

16. Provision for the future purchase of non-controlling interests

	Current provision £'000	Non-current provision £'000
At 1 July 2012 (audited)	1,808	165
Amounts paid in respect of acquisitions of non-controlling interests	(1,707)	–
Unwinding of discount	–	6
Change in value of existing provision	(101)	–
At 31 December 2012 (unaudited)	–	171
Unwinding of discount	–	10
Change in value of existing provision	–	2
At 30 June 2013 (audited)	–	183
Amounts paid in respect of acquisitions of non-controlling interests	–	–
Unwinding of discount	–	9
Change in value of existing provision	–	–
Non-current provision becoming current	46	(46)
At 31 December 2013 (unaudited)	**46**	**146**

The provision represents the estimated future cost (discounted to reflect the time value of money) required to settle put options held by non-controlling shareholders over non-controlling interest shares, should the put options be exercised.

The actual settlement timing and value is dependent upon when (and if) the non-controlling shareholders choose to exercise their options and on the profitability of the underlying companies at the date of exercise. For the purposes of estimating the above provision, it has been assumed that put options are exercised at the first available opportunity.

17. Bank loans

	31 December 2013 (unaudited) £'000	31 December 2012 (unaudited) £'000	30 June 2013 (audited) £'000
Non-current liability			
Bank loans	**48,117**	38,000	40,286
Facility fees	**(412)**	(659)	(535)
Bank loans net of facility fees	**47,705**	37,341	39,751

Details of the Group's bank facilities are set out in note 4(a).

18. Financial risk management and financial instruments

The methods and assumptions used to estimate the fair values of financial assets and liabilities are as follows:

- The carrying amount of trade receivables and payables approximates to fair value due to the short maturity of the amounts receivable and payable.
- The fair value of the Group's borrowings is estimated on the basis of the discounted value of future cash flows using approximate discount rates in effect at the balance sheet date.
- The fair value of the Group's outstanding interest rate swaps, foreign exchange contracts and put options for non-controlling interest are estimated using discounted cash flow models and market rates of interest and foreign exchange at the balance sheet date.

The table below analyses financial instruments measured at fair value via a valuation method. The different levels have been defined as:

Level 1
Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2
Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3
Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

18. Financial risk management and financial instruments continued

	31 December 2013 (unaudited) £'000	31 December 2012 (unaudited) £'000	30 June 2013 (audited) £'000
Assets			
Financial assets at fair value through income or expense			
– Trading derivatives at fair value through the Income Statement	**149**	38	–
Total assets	**149**	38	–
Liabilities			
Financial liabilities at fair value through income or expense			
– Trading derivatives at fair value through the Income Statement	**–**	–	(63)
Financial liabilities at fair value through equity			
– Derivative financial instruments designated for hedging	**(777)**	(1,458)	(1,096)
Total liabilities	**(777)**	(1,458)	(1,159)

All financial instruments are level 2 financial instruments for all periods and there have been no transfers between either level 1 and level 2 or level 2 and 3 in any period.

19. Share capital

	Number of ordinary shares of 5p each	Ordinary shares £'000	Share premium account £'000	Treasury shares £'000	Total £'000
At 1 July 2012 (audited)	86,103,137	4,305	45,231	(4,008)	45,528
Treasury shares reissued during the period	–	–	–	1,652	1,652
At 31 December 2012 (unaudited) and 30 June 2013 (audited)	86,103,137	4,305	45,231	(2,356)	47,180
Treasury shares reissued during the period	–	–	–	1,478	1,478
At 31 December 2013 (unaudited)	**86,103,137**	**4,305**	**45,231**	**(878)**	**48,658**

During the period ended 31 December 2013, no ordinary shares (2012: nil) were issued.

The Company sold 668,910 treasury shares during the period ended 31 December 2013 (2012: nil) in respect of vesting of share awards to members of staff (including Directors).

The Company also sold 47,500 treasury shares during the period ended 31 December 2013 (2012: nil) in respect of share options exercised by members of staff.

No other treasury shares were sold by the Company during the period ended 31 December 2013 (2012: 800,000).

At 31 December 2013, 425,590 shares (2012: 1,142,000) were held in Treasury, which represents 0.5% (2012: 1.3%) of the called up share capital of the Company.

20. Net cash flow from operating activities

	Notes	Six months ended 31 December 2013 (unaudited) £'000	Six months ended 31 December 2012 (unaudited) £'000	Twelve months ended 30 June 2013 (audited) £'000
Profit before tax		**3,668**	5,092	5,116
Net gain on disposal of property	7	**–**	(3,319)	(3,325)
Other non-recurring items	7	**200**	1,043	1,325
Depreciation of property, plant and equipment	13	**484**	515	1,043
Impairment of goodwill	13	**–**	–	4,500
Amortisation of intangible assets	13	**3,238**	3,120	6,860
(Profit)/loss on disposal of property, plant and equipment		**(32)**	12	94
Loss on disposal of intangible assets		**13**	22	–
Share-based payments (including social security costs)		**429**	354	888
Net finance costs	8	**1,116**	1,158	2,256
Operating cash flows before movements in working capital		**9,116**	7,997	18,757
Cash paid relating to share-based payments including social security costs		**(358)**	–	–
Decrease in inventories		**23**	17	5
(Increase)/decrease in receivables		**(178)**	1,016	59
(Decrease)/increase in payables		**(2,770)**	(3,871)	590
Cash generated by operations before non-recurring items		**5,833**	5,159	19,411

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

	31 December 2013 (unaudited) £'000	31 December 2012 (unaudited) £'000	30 June 2013 (audited) £'000
Adjusted EBITA (see note 5)	**8,218**	7,131	16,865
Funds from operations before non-recurring items	**5,833**	5,159	19,411
Cash conversion	**71%**	72%	115%

21. Related party transactions

The only related party transactions to have taken place during the period were normal business transactions between the Company and its subsidiary undertakings.

22. Seasonality

The Group has traditionally generated the majority of its revenues and profits during the second half of the financial year. This has historically resulted from three factors. Firstly, most of the Group's businesses (the notable exception being The Matchett Group) produce seasonally low sales in July, August and December which include holiday periods for many of the Group's clients. Secondly, Inese and Compliance Week, two of our recent acquisitions, have major annual events in the second half of the year. Thirdly, the publishing business produces a number of annual directory and database products, most of which are published in the second half of the financial year. To the extent that revenue is generated in the hard copy products, this is recognised on publication. To the extent revenue relates to online content, revenue is recognised over the period the content remains online. The migration over recent years of much of this revenue to the online products has resulted in a corresponding reduction in the seasonality of this revenue.

The Directors confirm that, to the best of their knowledge, the Interim Information has been prepared in accordance with International Accounting Standard 34 Interim financial reporting as adopted by the European Union. The Interim Report includes a fair review of the Interim Information and, as required by DTR 4.2.7R and DTR 4.2.8R, the following information:

- an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- disclosure of material-related party transactions that have taken place in the first six months of the current financial year and of any material changes in the related party transactions described in the last Annual Report and Financial Statements.

The Directors of Wilmington Group plc are listed in the Wilmington Group plc Annual Report for 30 June 2013. A list of current Directors is maintained on the Wilmington Group plc website: www.wilmington.co.uk.

By order of the Board
Anthony Foye
Chief Finance Officer
25 February 2014

Officers

Directors:
Mark Asplin
Non-Executive Chairman

Charles Brady
Chief Executive

Anthony Foye
Chief Finance Officer

Neil Smith
Chief Operating Officer

Derek Carter
Senior Independent
Non-Executive Director

Terry Garthwaite
Non-Executive Director

Nathalie Schwarz
Non-Executive Director

Secretary:
Richard Cockton
Company Secretary

Registered Office:
6-14 Underwood Street
London N1 7JQ
Tel: +44(0) 20 7422 6800
Fax: +44(0) 20 7422 6822

Company Registration No.
3015847

Design & production
www.carrkamasa.co.uk

Wilmington Group plc

6-14 Underwood Street, London N1 7JQ
Tel: +44(0) 20 7422 6800 Fax: +44(0) 20 7422 6822

www.wilmington.co.uk