18th November 2014

UK MAIL GROUP plc

UNAUDITED INTERIM RESULTS
For the 6 months ended 30 September 2014

Highlights

- Group revenues of £241.4m level with the previous year, adjusting for one less working day (2013: £243.4m)
- Group operating profit (pre-exceptional) increased by £0.1m to £11.4m, adjusting for one less working day (2013: £11.8m)
- Group profit before tax (pre-exceptional) of £11.4m level with the previous year, adjusting for one less working day (2013: £11.9m)
- Exceptional items of £6.5m (2013: £nil), comprising Pallets' goodwill impairment of £7.3m offset by HS2 compensation of £0.8m
- Net cash at period end of £9.5m (2013: £19.5m), after funding capital investment of £17.9m
- Interim dividend increased by 2.8% to 7.3p per share (2013: 7.1p)
- New products and service offerings continue to make good progress, with our one hour delivery window roll-out complete
- Relocation of hub from Birmingham to Ryton with full hub automation on track for completion, on budget, in May 2015

Guy Buswell, Chief Executive Officer of UK Mail, said:-

"Overall the Group had a satisfactory first half, with adjusted operating profit ahead of what was a very strong performance in the first half of last year.

"Trading in the initial weeks of the second half, and overall trends within our individual businesses, have been as anticipated, with our peak trading weeks still to come. Our expectations for the full year remain unchanged.

"We are now in a period of significant investment and transition, as we put the infrastructure in place for the next phase of growth. The new fully automated hub under construction represents the largest strategic development in our history. Ours is a growth market that is rapidly polarising between high quality, innovative and sophisticated operators and those at the opposite end of the value scale. Against such a backdrop, the investments we are making place us at a significant competitive advantage for the medium and longer term."

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INTRODUCTION

In the first half of the previous year we reported very strong performance and at the operating profit level (adjusted for one less working day) we have improved on that performance.

Overall the Group had a satisfactory six months. Whilst the first quarter showed good revenue performance in Parcels, the second quarter was more challenging, as previously announced, with volumes below expectations in the latter weeks of the period, in part reflecting recent weakness in the retail market. Our Mail business clearly outperformed the market in volume terms. Of our smaller businesses, the Courier business's performance remained solid, whilst the Pallets business produced a performance below last year's.

As a result, reported Group revenues for the first half decreased by 0.8% compared to the same period last year. Group profit before tax and exceptional items decreased by 4.5%, or £0.5m, to £11.4m (2013: £11.9m), of which some £0.4m was attributable to a reduction in profitability at our Pallets business. Adjusting for there being one less working day, underlying revenues and underlying profit before tax were unchanged. Across the Group, we estimate that each extra working day equates to some £0.5m of gross profit contribution.

In our Parcels business (45% of group revenues) revenues grew by 3.4%. Adjusting for the one less working day the revenue increase was 4.2%. This revenue growth was supported by average daily volume growth of 6.3%, driven largely by an increase in home deliveries related to on-line shopping. Despite the pricing environment in Parcels remaining challenging, the mix effect, and the volume pressures in the final weeks of the period, the operating margin remained healthy at 10.2% (2013: 10.6%), and operating profit increased to £11.2m (2013: £11.1m). On an adjusted basis, taking account of the one less working day, operating profit grew by some 3.9%. We continue to focus on innovation and on operational efficiency to help drive margin improvements.

Revenues in our Mail business (45% of group revenues) reduced by 5.1%. The reduction in revenue reflects a mix change with our daily mail volumes actually increasing by 2.2% in the half year, compared to a market that saw an overall volume decline of some 3.0%. This volume growth was driven by strong customer retention and new customer wins. Although the operating profit decreased by 2.4% to £6.2m (2013: £6.3m), on an adjusted basis, taking account of the impact of the one less working day, it was in line with the previous year. The operating margin increased to 5.6% (2013: 5.5%). Our Mail business remains well positioned in its market with a healthy pipeline of new business opportunities. We continue to see good progress from imail and related new product innovations.

In our Courier business (4% of group revenues) revenues increased by 5.8%. The operating margin decreased to 16.1% for the period (2013: 17.8%), leading to operating profit being 4.1% lower at £1.4m (2013: £1.4m).

Our Pallets business (6% of group revenues) had a challenging first half to the year. Whilst revenues were broadly in line with the previous year at £13.9m (2013: £14.1m), operating profit declined by 58.6% to £0.2m as the business continues to suffer from increased network costs. Whilst we are taking action to address this underperformance, we have performed a detailed review which resulted in the recognition of a £7.3m impairment charge against the carrying value of goodwill relating to the business. This is included as an exceptional item in these interim results.

The move of our national hub and Birmingham head office to a newly constructed site at Ryton near Coventry by May 2015 will be the largest strategic development in the history of our business. The new automated hub will be a significant step forward in how we operate, creating extra capacity and reducing operating costs. The construction and automation project is progressing well, to budget and timetable and, in parallel, a detailed programme to manage the relocation is underway.

We are now in a period of significant investment and transition, as we put the infrastructure in place for the next phase of growth. Ours is a growth market that is rapidly polarising between high quality, innovative and sophisticated operators and those at the opposite end of the value scale. Against such a backdrop, the investments we are making place us at a significant competitive advantage for the medium and longer term.

The Group remains in a sound financial position with net funds at the period end of £9.5m (2013: £19.5m) after funding capital expenditure of £17.9m.

The Board has declared an Interim Dividend of 7.3p per share; an increase of 2.8% (2013: 7.1p), payable on 16 January 2015 to shareholders on the register on 5 December 2014.

RESULTS

The results can be summarised as follows:

	Six months ended 30th September		
	Unaudited 2014 £m	Unaudited 2013 £m	Inc/(Dec) %
Group revenue	**241.4**	243.4	(0.8)%
Operating profit (before exceptional items)	**11.4**	11.8	(3.9)%
Net finance income	**-**	0.1	-
Profit before tax (before exceptional items)	**11.4**	11.9	(4.5)%
Exceptional items	**(6.5)**	-	-
Profit before tax (after exceptional items)	**4.9**	11.9	(58.7)%
Taxation	**(2.7)**	(2.6)	(1.8)%
Profit after taxation	**2.2**	9.3	(75.8)%
Basic earnings per share	**4.1p**	17.0p	(75.9)%
Underlying basic earnings per share *	**16.2p**	17.0p	(4.7)%

* - excludes exceptional items

Revenue and operating profit are analysed as follows:

	Revenue			Operating Profit		
	2014 £m	2013 £m	Inc/ (Dec) %	**2014 £m**	2013 £m	Inc/ (Dec) %
Parcels	**109.4**	105.8	3.4%	**11.2**	11.1	0.3%
Mail	**109.7**	115.6	(5.1)%	**6.2**	6.3	(2.4)%
Courier	**8.4**	7.9	5.8%	**1.4**	1.4	(4.1)%
Pallets	**13.9**	14.1	(1.1)%	**0.2**	0.6	(58.6)%
Total	**241.4**	243.4	(0.8)%	**19.0**	19.4	(2.6)%
Central costs				**(7.6)**	(7.6)	0.6%
Operating Profit before exceptional items				**11.4**	11.8	(3.9)%

Parcels

Revenues in Parcels, which comprises the Group's business-to-business (B2B), business-to-consumer (B2C) and international parcel delivery service, were up 3.4% to £109.4m (2013: £105.8m). On an adjusted basis, taking account of the one less working day compared to the same period last year, they increased by 4.2%.

We have achieved volume growth in both the B2B and B2C market segments in the period overall, with Parcels average daily volumes increasing by some 6.3% compared to last year. We continue to see an on-going volume mix change towards the lower margin B2C segment. However, whilst the first quarter showed good volume growth, the latter weeks of the second quarter were more challenging. This reflected a wider market trend, in part a function of the generally weaker trading seen across the retail sector.

Despite the continued competitive pricing environment, we have achieved a good Parcels operating margin of 10.2% for the period (2013: 10.6%).

The growth in revenues, partly offset by the operating margin reduction, resulted in an increase in the Parcels operating profit to £11.2m (2013: £11.1m). On an adjusted basis, taking account of the one less working day, we estimate operating profit grew by some 3.9%.

We continue to make progress with our product innovations. ipostparcels represents one of the lowest-cost and most user-friendly online collection and delivery services available in the UK. Revenues and profits grew well for this business, and we have further development plans for it.

Key to our parcels market position is the provision of value added services that customers increasingly demand. Our enhanced next day delivery service, which offers advance-notice one-hour delivery and collection windows, is now fully operational. This now also includes our new 'You're Next' texting service which informs customers when their delivery is some ten minutes away; an industry first which will further improve the first time delivery experience for our customers. This added functionality will give our Parcels business an excellent opportunity for further customer acquisition, especially within its growing B2C customer base.

Looking forward, we expect slower Parcels growth during the second half of the financial year as we continue to face challenging market conditions in the near term and as we continue to annualise the strong volume growth experienced in the previous financial year.

Mail

Mail revenues decreased by 5.1% to £109.7m (2013: £115.6m). On an adjusted basis, taking account of the one less working day compared to last year, they declined by some 4.4%. This decline however was largely caused by a mix change towards Customer Direct Access (CDA) mail, which carries a substantially lower revenue per item. This mix change is the result of us having won a very significant public sector CDA contract during the period.

Our daily mail volumes increased by some 2% compared to the same period last year, while the overall UK mail market has seen a decline in transactional volumes of some 3% per annum, demonstrating further market share gains.

Mail operating profits decreased by 2.4% to £6.2m (2013: £6.3m). On a like-for-like basis, operating profit was in line with the previous year. The operating margin increased to 5.6% (2013: 5.5%).

In February 2014, Ofcom announced that it was to investigate a complaint from TNT concerning certain access prices introduced in April 2014. We believe that this investigation will have no adverse implications on UK Mail. It does however create near-term indecision in the market and we would trust that Ofcom resolves the matter as swiftly as practical. We expect the outcome to be announced before the end of the calendar year.

In April 2014, Ofcom also announced a review of access mail arrangements, as did the Government in September 2014. We will fully assist with both these reviews but, again, we see no direct implications for our business.

imail, our web-to-print postal service, continues to show good revenue growth. We continue to invest to increase our capacity and provide additional services. 'imailprint' has now been successfully launched. This provides a specialist printing service which, rather than being purely mailed as with our current service, can produce printed documents for general usage. We see this as a natural, low risk, medium-term growth opportunity.

Our new packets service, which allows us to offer customers a two/three day, low cost delivery service, continues to make progress. It allows us to provide a profitable product which can compete with the 'lifestyle couriers' who provide a basic service at low cost. The extra capacity created by our new hub will allow us to continue to develop our services for this segment of the market.

UK Mail remains a market leader with an operational template ideally suited to the evolving demands of the mail market. We remain focused on growing our business by handling additional mail for existing customers and winning volumes from other access operators. We continue to invest for the future, and see substantial growth opportunities for the medium and longer term.

Courier

Revenues in our Courier business, which provides same-day delivery services, increased by 5.8% to £8.4m (2013: £7.9m). We are continuing to focus on national contracts that can leverage our network and blue chip customer base. Operating margins however decreased to 16.1% (2013: 17.8%) leading to a decrease in the operating profit by 4.1% to £1.4m (2013: £1.4m).

We have now developed a highly efficient nationwide courier network with a proven ability to support national contracts, which adds to our ability to offer a fully integrated proposition and supports product development across the Group. It works increasingly closely with our Parcels business as it represents a key part of our Retail Logistics operation.

Pallets

Revenues in our Pallets business, which provides a nationwide palletised goods delivery service, decreased by 1.1% to £13.9m (2013: £14.1m). Operating profit for the period however decreased by 58.6% to £0.2m (2013: £0.6m).

The Pallets business is based on a national network of members. We are again experiencing gaps in the network which reduce input volumes and cause additional delivery costs, and which have proven difficult to fully resolve.

We are continuing to try to secure new, long term members for our network, and are taking actions to address the performance of this business. However we now anticipate that it will operate at a lower level of profitability than has been the case historically. We have therefore undertaken an interim impairment review which resulted in the recognition of an impairment charge against the carrying value of the goodwill that arose on the purchase of the business in July 2003 of some £7.3m. This has been treated as an exceptional item in the period.

Central costs

Central costs before exceptional impairment charge remained the same as the first half of last year at £7.6m (2013: £7.6m). We continue to invest in I.T., however this investment has been offset by savings in other areas.

Net Finance income

Our cash balances have reduced in the first half of the year as we have invested in our new hub and automation. This has meant that our net finance income has reduced to £Nil (2013: £0.1m).

Exceptional Items

We have reported a net exceptional charge for the period of £6.5m.

This comprised:	£m
Goodwill impairment charge - UK Pallets	7.3
Compensation from HS2	(0.8)
Net exceptional cost	6.5

The Group acquired UK Pallets for £9.4m in July 2003, recognising an initial goodwill asset of some £8.2m. This asset, which was initially amortised as required under the then applicable UK accounting rules, stood at £7.9m by the time the Group made the transition to IFRS on 1 April 2004. Since then, this goodwill has been held on the consolidated balance sheet of UK Mail as an intangible asset and tested at least annually for impairment.

The decline in the performance of UK Pallets experienced in the first half of the year has led to profitability being below expectations. Therefore an interim goodwill impairment test was performed which concluded that the carrying of the intangible asset is not justified and we have thus recognised an impairment charge in the first half year.

The amounts received from HS2 relate to agreed compensation for the impact of HS2 on our business. Further amounts will be taken as an exceptional item in the second half of the financial year.

Financial Position

The Group has maintained its sound financial position during the first half year. Despite the initial investment in our new hub and in automation – details of which are set out below - we had net cash at the end of the period of £9.5m (2013: £19.5m), having funded £17.9m of capital investment.

Net cash inflow from operating activities totalled £8.1m (2013: £4.7m). Net cash outflow for the period was £17.9m (2013: outflow £8.2m) which included £4.8m of cash consumed in working capital (2013: £9.3m consumed), and a net £17.9m (after allowing for the deferred compensation received from HS2) expended on capital additions (2013: £5.4m).

The Group paid £7.8m (2013: £6.8m) of dividends during the period.

To provide funding for the investment in the new hub and automation the Group agreed a £25m five year revolving credit facility with Lloyds Bank plc in May 2014. This facility will support the cash requirements of the investment programme. This facility had not been drawn at 30th September 2014.

HS2

In December 2013 we reached agreement with the Secretary of State for Transport concerning compensation for the relocation of our Birmingham hub as a result of the proposed High Speed Two (HS2) railway. This involves the sale of our Heartlands site to the Department for Transport (DfT) and the relocation of our central hub and Birmingham head office to a newly constructed facility at Ryton near Coventry.

We have also agreed further specific compensation payments with the DfT and HS2 Ltd. Of these amounts, £2.8m was received in the period with further amounts to be received in the second half of the financial year.

The costs of the move to the new site, including the I.T. data centre move and related staff costs will be incurred over the next two financial years. We anticipate that the costs we incur to reinstate our existing capability will be fully compensated by the DfT and HS2 Ltd (subject to the requirements of the Compensation Code).

Capital Expenditure

Capital additions for the period included our underlying business capital expenditure combined with the initial investment in our new hub and in automation.

This can be summarised as follows:

	6 months to 30 September	
	2014	2013
	£m	£m
Underlying capital additions	**5.4**	6.2
Investment in new hub	**8.1**	-
Investment in automation	**3.2**	0.5
Total capital additions	**16.7**	6.7

The underlying capital additions includes £4.1m on I.T. as we continue to develop our system infrastructure, and £1.3m on our network.

The investment in the new hub in the period comprises the continuing payments for the construction of the national hub and new Birmingham head office. The cumulative total expected to be spent on the land and building over the period to March 2016 is some £35m. We expect our contribution to the building of the new hub will be some £15m which covers the enhancement of the site and building beyond the scale of the current facility. The investment in automation reflects the initial payments for the design and development of the hub and network automation equipment. As previously guided, the total expected to be spent on this equipment, over the period to September 2015, is some £20m.

Earnings per share

Underlying basic earnings per share decreased by 4.7% to 16.2p (2013: 17.0p). Basic earnings per share decreased 75.9% to 4.1p (2013: 17.0p).

Dividend

The Board has declared a 2.8% increase in the Interim Dividend to 7.3p per share (2013: 7.1p), payable on 16 January 2015, to shareholders registered on 5 December 2014.

CURRENT TRADING AND OUTLOOK

Trading in the initial weeks of the second half, and overall trends within our individual businesses, have been as anticipated, with our peak trading weeks still to come. Our expectations for the full year remain unchanged.

We are now in a phase of significant strategic investment, the benefits of which are expected to be seen from mid-2015 onwards. This investment further enhances our competitive position in the value-added segment of a polarising market, and so sets us up very well for the next stage of profitable growth. We remain excited by the medium term growth prospects for UK Mail.

Guy Buswell
Chief Executive Officer

ADDITIONAL DISCLOSURES

Principal risks and uncertainties facing the business

UK Mail's business and share price may be affected by a number of risks, not all of which are within our control. The process UK Mail has in place for identifying, assessing and managing risks is set out in the Corporate Governance Report on page 31 of the 2014 Annual Report and Accounts. The specific principal risks and uncertainties that may affect the Group's performance, together with relevant mitigating factors as identified by the Group's risk management process were discussed on page 20 of the Group's 2014 Annual Report and Accounts. These included risks relating to HS2, IT systems, business continuity, legislation and regulation, competition and fuel factors, in addition to financial risks including credit risk. It is considered that these still remain the most likely areas of potential risk and uncertainty, with the position unchanged from that set out in the 2014 Annual Report and Accounts.

Cautionary statement

This interim announcement contains certain forward-looking statements, which have been made by the directors in good faith based on the information available to them up to the time of the approval of this report and such information should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information. Nothing in this report should be construed as a profit forecast.

Going concern

As stated in note 2 to the condensed consolidated interim financial statements, the Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements.

Related-party transactions

As stated in note 17 to the condensed consolidated interim financial statements, there were no transactions with related parties during the six months ended 30 September 2014 which have had a material effect on the results or the financial position of the Group. The nature of the related party transactions has not changed from those described in the Group's 2014 Annual Report and Accounts.

Consolidated Statement of Comprehensive Income

for the six months ended 30 September 2014

	Note	**Unaudited Six months to 30 September 2014** Underlying £m	Exceptional Items £m	After exceptional items £m	Unaudited Six months to 30 September 2013 £m	Audited Year to 31 March 2014 £m
Revenue	6	**241.4**	**-**	**241.4**	243.4	508.5
Cost of sales	7	**(211.3)**	**0.8**	**(210.5)**	(212.0)	(440.3)
Gross profit		**30.1**	**0.8**	**30.9**	31.4	68.2
Administrative expenses	7	**(18.7)**	**(7.3)**	**(26.0)**	(19.6)	(45.5)
Operating profit	6	**11.4**	**(6.5)**	**4.9**	11.8	22.7
Finance income		**-**	**-**	**-**	0.1	0.2
Finance costs		**-**	**-**	**-**	-	(0.1)
Profit before taxation		**11.4**	**(6.5)**	**4.9**	11.9	22.8
Total taxation	12	**(2.5)**	**(0.2)**	**(2.7)**	(2.6)	(5.3)
Profit for the period		**8.9**	**(6.7)**	**2.2**	9.3	17.5
Total comprehensive income attributable to:						
Equity holders of the company		**8.9**	**(6.7)**	**2.2**	9.3	17.5
Basic earnings per share	13	**16.2p**	**(12.1)p**	**4.1p**	17.0p	32.0p
Diluted earnings per share	13	**16.2p**	**(12.1)p**	**4.1p**	16.9p	31.9p

The notes on the following pages form an integral part of these condensed consolidated interim financial statements.

Consolidated Balance Sheet

as at 30 September 2014

	Note	**Unaudited 30 September 2014**	Unaudited 30 September 2013	Audited 31 March 2014
		£m	£m	£m
Assets				
Non-current assets				
Goodwill	8	**2.2**	9.5	9.5
Intangible assets	8	**10.2**	5.8	8.0
Investment properties	8	**1.7**	1.8	1.8
Property, plant and equipment	8	**60.9**	35.2	50.1
Deferred tax assets		**0.8**	0.4	0.7
		75.8	52.7	70.1
Current assets				
Inventories		**0.2**	0.4	0.2
Trade and other receivables		**70.0**	70.0	72.4
Cash and cash equivalents	10	**9.5**	20.0	27.4
		79.7	90.4	100.0
Liabilities				
Current liabilities				
Borrowings	10	**-**	(0.5)	(0.4)
Trade and other payables		**(82.7)**	(69.7)	(82.9)
Current tax liabilities		**(2.5)**	(2.8)	(2.7)
Provisions	11	**(0.6)**	(0.2)	(0.4)
		(85.8)	(73.2)	(86.4)
Net current (liabilities)/assets		**(6.1)**	17.2	13.6
Non-current liabilities				
Deferred tax liabilities		**(1.7)**	(1.4)	(1.5)
Provisions	11	**(0.7)**	(1.2)	(1.0)
Trade and other payables		**-**	-	(8.9)
		(2.4)	(2.6)	(11.4)
Net assets		**67.3**	67.3	72.3
Shareholders' equity				
Ordinary shares	9	**5.5**	5.5	5.5
Share premium	9	**15.3**	15.3	15.3
Retained earnings		**46.5**	46.5	51.5
Total equity		**67.3**	67.3	72.3

Consolidated statement of cash flows
for the six months ended 30 September 2014

	Note	**Unaudited 30 September 2014 £m**	Unaudited 30 September 2013 £m	Audited 31 March 2014 £m
Profit for the year		**2.2**	9.3	17.5
Adjustments for:				
Exceptional item – goodwill impairment	7	**7.3**	-	-
Exceptional item – compensation from HS2	7	**(0.8)**	-	-
Depreciation and amortisation		**3.7**	3.8	7.5
Loss on sale of property, plant and equipment		**0.1**	0.3	0.5
Share-based payment expense		**0.6**	0.4	0.9
Finance income		**-**	(0.1)	(0.2)
Finance costs		**-**	-	0.1
Taxation		**2.7**	2.6	5.3
Operating profit before changes in working capital and provisions		**15.8**	16.3	31.6
Decrease/(increase) in inventories		**0.1**	(0.1)	0.1
Decrease/(increase) in trade and other receivables		**2.4**	(3.3)	(5.7)
(Decrease)/increase in trade and other payables		**(7.2)**	(6.0)	7.1
(Decrease)/increase in provisions		**(0.1)**	0.1	0.1
Total cash flow from working capital		**(4.8)**	(9.3)	1.6
Cash generated from operations		**11.0**	7.0	33.2
Finance income received		**-**	0.1	0.2
Income tax paid		**(2.8)**	(2.4)	(5.2)
Net cash flow from operating activities		**8.2**	4.7	28.2
Investing activities				
Purchase of property, plant and equipment		**(16.7)**	(3.7)	(23.5)
Purchase of intangible assets		**(3.2)**	(1.7)	(4.6)
Deferred compensation		**2.0**	-	10.6
Proceeds from sale of property, plant and equipment		**-**	0.1	0.1
Net cash flow from investing activities		**(17.9)**	(5.3)	(17.4)
Financing activities				
Repayment of finance leases		**(0.4)**	(0.7)	(0.8)
Dividends paid to shareholders		**(7.8)**	(6.8)	(10.7)
Net proceeds from issue of ordinary share capital		**-**	0.1	-
ESOT shares acquired		**-**	(0.2)	(0.1)
Net cash flow from financing activities		**(8.2)**	(7.6)	(11.6)
Net decrease in cash and cash equivalents		**(17.9)**	(8.2)	(0.8)
Cash and cash equivalents at the beginning of the period		**27.4**	28.2	28.2
Cash and cash equivalents at the end of the period		**9.5**	20.0	27.4

Consolidated Statement of Changes in Shareholders' Equity (unaudited) for the six months ended 30 September 2014

		Attributable to equity holders of the company			
		Ordinary shares	**Share premium**	**Retained earnings**	**Total equity**
	Note	**£m**	**£m**	**£m**	**£m**
Balance as at 1 April 2014		**5.5**	**15.3**	**51.5**	**72.3**
Profit for the period		**-**	**-**	**2.2**	**2.2**
Total comprehensive income for the period		**-**	**-**	**2.2**	**2.2**
Dividends paid to shareholders	14	**-**	**-**	**(7.8)**	**(7.8)**
Employees' share option scheme:					
- share based payments		**-**	**-**	**0.6**	**0.6**
Total transactions with shareholders recorded directly in equity		**-**	**-**	**(7.2)**	**(7.2)**
Balance as at 30 September 2014		**5.5**	**15.3**	**46.5**	**67.3**
Balance as at 1 April 2013		5.5	15.3	43.6	64.4
Profit for the period		-	-	9.3	9.3
Total comprehensive income for the period		-	-	9.3	9.3
Dividends paid to shareholders	14	-	-	(6.8)	(6.8)
Purchase of UK Mail shares by the ESOT		-	-	(0.1)	(0.1)
Employees' share option scheme:					
- share based payments		-	-	0.4	0.4
- deferred tax on employee share options		-	-	0.1	0.1
Total transactions with shareholders recorded directly in equity		-	-	(6.4)	(6.4)
Balance as at 30 September 2013		5.5	15.3	46.5	67.3
Balance as at 1 April 2013		5.5	15.3	43.6	64.4
Profit for the year		-	-	17.5	17.5
Total comprehensive income for the year		-	-	17.5	17.5
Dividends paid to shareholders		-	-	(10.7)	(10.7)
Employees' share option scheme:					
- share-based payments		-	-	0.9	0.9
- purchase of UK Mail shares by the ESOT		-	-	(0.1)	(0.1)
- tax credited to equity		-	-	0.3	0.3
Total transactions with shareholders recorded directly in equity		-	-	(9.6)	(9.6)
Balance as at 31 March 2014		5.5	15.3	51.5	72.3

Notes to condensed consolidated interim financial statements

1 General information

UK Mail Group Plc ('the Company') and its subsidiaries (together 'the Group') are engaged in the provision of express collection and delivery services for mail, parcels and palletised goods.

The Company (registration number 02800218) is a public limited company incorporated and domiciled in England. The address of its registered office is 120 Buckingham Avenue, Slough, SL1 4LZ. The Company is listed on the London Stock Exchange (LSE: UKM).

The condensed consolidated interim financial statements were approved for issue on 17 November 2014.

The condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Within the notes to these financial statements, the half year periods to 30 September 2014 and 2013 are unaudited. Statutory accounts for the year ended 31 March 2014 were approved by the Board of directors on 20 May 2014 and delivered to the Registrar of Companies. 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(2) or (3) of the Companies Act 2006.

2 Basis of preparation

The condensed consolidated interim financial statements for the half year ended 30 September 2014 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union. They do not include all of the information and disclosures required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 31 March 2014, which were prepared in accordance with IFRSs as adopted by the European Union.

The consolidated financial statements of the Group as at and for the year ended 31 March 2014 are available upon request from the Company's registered office at 120 Buckingham Avenue, Slough, SL1 4LZ or at www.ukmail.com.

The condensed consolidated interim financial statements are presented in Sterling.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. The Group meets its day to day working capital requirements through operating cash flows, with borrowings to fund acquisitions and capital expenditure, as necessary. Movements in the Group's overall net funds position are shown in note 10. The Group has committed bank facilities in place, comprising of a five year £25m revolving credit facility available until 31 May 2019, and a £5m overdraft facility available until 30 June 2015. Accordingly they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements.

3 Accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are consistent with those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 March 2014.

Adoption of new standards, and amendments to standards or interpretations, which are mandatory for the first time for the financial year beginning 1 April 2014, have had no material impact on the financial position and performance of the Group.

4 Changes in accounting estimates

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 March 2014, save in respect of HS2 accounting, whereby the key areas of judgement include not only the timing of recognition of payments from HS2, but the quantum.

Management have reviewed all costs incurred in relation to the HS2 project and made an estimate of those costs which are likely to be recoverable from HS2 under the Compensation Code, recognising these on the Balance Sheet as opposed to expensing them in the Statement of Comprehensive Income. Whilst agreement has been reached in principle that these costs will be reimbursed in full, they remain subject to an audit and review by HS2 Ltd, and may therefore be subject to amendment.

There have been no material changes in contingent liabilities during the current interim period.

5 Financial instruments

The activities of the Group exposes it to a number of financial risks, including credit risk, market risk, price risk, liquidity risk, interest risk and capital risk.

These condensed consolidated interim financial statements do not include all of the financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s 2014 Annual Report and Accounts.

There have been no changes in the Group’s financial risk management policies since the year end 31 March 2014.

6 Segmental information

Management has determined the operating segments based on reports that are reviewed by the Board for making strategic decisions. These reports reflect the Group's defined management structure, whereby distinct managers are accountable to the Board for the results and activities of their identified segments and the different markets in which they operate. The Board, which is the Group’s chief operating decision maker, considers that the Group has four reportable operating segments.

The Group’s operating segments consist of Mail, Parcels, Courier and Pallets Services. The Board assesses the performance of the operating segments based on a measure of operating profit before net finance costs and taxation.

Central costs comprises of network costs and central support costs. Central assets comprise mainly of corporate assets, cash, current and deferred tax balances.

The Group manages its business segments on a national basis, with all its operations in the UK, as are nearly all of its customers.

Inter-company transactions, (which are conducted on an arm’s length basis) balances and unrealised gains on transactions between segments are eliminated. Unrealised losses are also eliminated.

No individual customer accounted for more than 6% of revenue in the periods included in these condensed consolidated interim financial statements.

Six months ended 30 September 2014 (unaudited)

	Business Segment					
	Mail £m	**Parcels £m**	**Courier £m**	**Pallets £m**	**Central £m**	**Total £m**
Segmental revenue	**109.7**	**109.4**	**10.0**	**13.9**	**-**	**243.0**
Inter-segment revenue	**-**	**-**	**(1.6)**	**-**	**-**	**(1.6)**
Group revenue	**109.7**	**109.4**	**8.4**	**13.9**	**-**	**241.4**
Operating profit/(loss) before exceptional items	**6.2**	**11.2**	**1.4**	**0.2**	**(7.6)**	**11.4**
Exceptional items	**-**	**0.8**	**-**	**-**	**(7.3)**	**(6.5)**
Operating profit	**6.2**	**12.0**	**1.4**	**0.2**	**(14.9)**	**4.9**
Finance income						**-**
Profit before taxation						**4.9**
Taxation						**(2.7)**
Profit attributable to equity shareholders						**2.2**
Assets						
Segment assets	**45.5**	**89.4**	**0.1**	**8.8**	**24.5**	**168.3**
Eliminations	**(9.6)**	**-**	**-**	**(3.2)**	**-**	**(12.8)**
Total assets	**35.9**	**89.4**	**0.1**	**5.6**	**24.5**	**155.5**

Six months ended 30 September 2013 (unaudited)

	Business Segment					
	Mail £m	Parcels £m	Courier £m	Pallets £m	Central £m	Total £m
Segmental revenue	115.6	105.8	9.1	14.1	-	244.6
Inter-segment revenue	-	-	(1.2)	-	-	(1.2)
Group revenue	115.6	105.8	7.9	14.1	-	243.4
Operating profit/(loss)	6.3	11.1	1.4	0.6	(7.6)	11.8
Finance income						0.1
Profit before taxation						11.9
Taxation						(2.6)
Profit attributable to equity shareholders						9.3
Assets						
Segment assets	41.5	65.2	0.1	9.2	43.9	159.9
Eliminations	(10.5)	(2.2)	-	(4.1)	-	(16.8)
Total assets	31.0	63.0	0.1	5.1	43.9	143.1

Year ended 31 March 2014 (audited)

	Business Segment					
	Mail	Parcels	Courier	Pallets	Central	Total
	£m	£m	£m	£m	£m	£m
Revenue	245.3	219.9	18.9	27.1	-	511.2
Inter-segment revenue	-	-	(2.7)	-	-	(2.7)
Group revenue	245.3	219.9	16.2	27.1	-	508.5
Operating profit/(loss)	12.7	22.4	2.7	0.9	(16.0)	22.7
Finance income						0.2
Finance costs						(0.1)
Profit before taxation						22.8
Taxation						(5.3)
Profit attributable to equity shareholders						17.5
Assets						
Segment assets	54.0	83.0	-	8.5	45.5	191.0
Eliminations	(17.5)	-	-	(3.4)	-	(20.9)
Total assets	36.5	83.0	-	5.1	45.5	170.1

7 Exceptional items	**Unaudited 30 September 2014**	Unaudited 30 September 2013	Audited 31 March 2014
Goodwill impairment charge – UK Pallets	**7.3**	-	-
Compensation from HS2	**(0.8)**	-	-
Net Exceptional items	**6.5**	-	-

Goodwill impairment

The Group acquired UK Pallets for £9.4m in July 2003, recognising an initial goodwill asset of some £8.2m. This asset, which was initially amortised as required under the then applicable UK accounting rules, stood at £7.9m by the time the Group made the transition to IFRS on 1 April 2004.

Since then, this goodwill has been held on the consolidated balance sheet of UK Mail as an intangible asset.

At each balance sheet date, the Group reviews the carrying amounts of all its assets excluding deferred tax assets, inventories, and financial assets to determine whether there is any indication that any of those assets have suffered an impairment loss.

The decline in the performance of UK Pallets experienced in the first half of the year, which is largely the result of reduced input volumes and additional delivery costs in covering network gaps, has led to profitability being below expectations.

Therefore an interim goodwill impairment test was performed on this operating segment using management estimates of the individual cash generating unit ('CGU') growth rate over the next five year period, and the long-term growth rate of the UK economy thereafter.

The following key assumptions were used in performing this review;

- Revenue growth rate in years one to five: 0.5% to 4.3% (Year end 31 March 2014: 3.0% to 8.3%)
- UK long-term GDP growth rate: 1.75% (Year end 31 March 2014: 1.75%)
- Pre-tax discount rate: 11.44% (Year end 31 March 2014: 8.3%)

Based on these assumptions, the calculation of the recoverable amount, in comparison to the carrying amount has resulted in an impairment charge of £7.3m (Year end 31 March 2014: Nil). The directors will reassess the need for any further impairment write-downs at year end.

Compensation from HS2

The amount received from HS2 relates to agreed compensation concerning the profit impact of the delay in automation of our operation due to the impact of HS2 on our plans. Further amounts are expected to be taken as an exceptional item in the second half of the financial year.

8 Property, plant and equipment, intangible assets, goodwill and investment properties

Six months ended 30 September 2014 (unaudited)	**£m**
Opening net book value at 1 April 2014	**69.4**
Additions	**16.7**
Disposals	**(0.1)**
Impairment of goodwill (note 7)	**(7.3)**
Depreciation and amortisation	**(3.7)**
Closing net book value at 30 September 2014	**75.0**

Six months ended 30 September 2013 (unaudited)	£m
Opening net book value at 1 April 2013	49.7
Additions	6.7
Disposals	(0.3)
Depreciation and amortisation	(3.8)
Closing net book value at 30 September 2013	52.3

Year ended 31 March 2014 (audited)	£m
Opening net book value at 1 April 2013	49.7
Additions	27.9
Disposals	(0.7)
Depreciation and amortisation	(7.5)
Closing net book value at 31 March 2014	69.4

	Unaudited 30 September 2014	Unaudited 30 September 2013	Audited 31 March 2014
Total segment capital expenditure	**12.9**	4.0	22.0
Central capital expenditure	**3.8**	2.7	5.9
Total capital expenditure	**16.7**	6.7	27.9
Total segment depreciation and amortisation	**2.0**	2.1	4.5
Central depreciation and amortisation	**1.7**	1.7	3.0
Total depreciation and amortisation	**3.7**	3.8	7.5

9 Share Capital

Capital	Number of ordinary shares	Ordinary shares £m	Share premium £m	Unaudited Total £m
At 1 April 2014	**54,734,482**	**5.5**	**15.3**	**20.8**
Allotted under SAYE schemes	**2,123**	**-**	**-**	**-**
At 30 September 2014	**54,736,605**	**5.5**	**15.3**	**20.8**
At 1 April 2013	54,732,981	5.5	15.3	20.8
Allotted under SAYE schemes	1,501	-	-	-
At 30 September 2013	54,734,482	5.5	15.3	20.8

The Company's Employee Share Ownership Trust ('ESOT') holds shares in the Company for subsequent transfer to employees under its incentive scheme awards. Shares held by the ESOT are not voted at shareholder meetings and do not accrue dividends. Movements in the number of shares held by the ESOT were as follows;

	Unaudited Six months ended 30 September 2014 Number	Unaudited Six months ended 30 September 2013 Number	Audited Year ended 31 March 2014 Number
At 1 April	**6,801**	55,493	55,493
Settlement of awards under the;			
LTIP plan	**-**	(51,100)	(51,100)
SAYE plan	**-**	(20,473)	(29,403)
Shares repurchased	**-**	31,811	31,811
At the end of the period	**6,801**	15,731	6,801

10 Analysis of net funds/(debt)

	Audited 1 April 2014	**Cash flow**	**Other**	**Unaudited 30 September 2014**
	£m	**£m**	**£m**	**£m**
Cash at bank and in hand	**27.4**	**(17.9)**	**-**	**9.5**
Total cash	**27.4**	**(17.9)**	**-**	**9.5**
Finance leases due within one year	**(0.4)**	**0.4**	**-**	**-**
Total debt	**(0.4)**	**0.4**	**-**	**-**
Net funds	**27.0**	**(17.5)**	**-**	**9.5**

	Audited 1 April 2013	Cash flow	Other	Unaudited 30 September 2013
	£m	£m	£m	£m
Cash at bank and in hand	28.2	(8.2)	-	20.0
Total cash	28.2	(8.2)	-	20.0
Finance leases due within one year	(0.8)	0.7	(0.4)	(0.5)
Finance leases due after one year	(0.4)	-	0.4	-
Total debt	(1.2)	0.7	-	(0.5)
Net funds	27.0	(7.5)	-	19.5

	Audited 1 April 2013	Cash flow	Other	Audited 31 March 2014
	£m	£m	£m	£m
Cash at bank and in hand	28.2	(0.8)	-	27.4
Total cash	28.2	(0.8)	-	27.4
Finance leases	(1.2)	0.8	-	(0.4)
Total debt	(1.2)	0.8	-	(0.4)
Net funds	27.0	-	-	27.0

11 Provisions for liabilities

Six months ended 30 September 2014	**Unaudited Restructuring costs £m**	**Unaudited Lease dilapidations £m**	**Unaudited Total Provisions £m**
At 1 April 2014	**0.3**	**1.1**	**1.4**
Utilised during the period	**(0.1)**	**-**	**(0.1)**
At 30 September 2014	**0.2**	**1.1**	**1.3**

Six months ended 30 September 2013	Unaudited Restructuring costs £m	Unaudited Lease dilapidations £m	Unaudited Total Provisions £m
At 1 April 2013	0.5	0.8	1.3
Provided during the period	-	0.2	0.2
Utilised during the period	(0.1)	-	(0.1)
At 30 September 2013	0.4	1.0	1.4

Year ended 31 March 2014	Audited Restructuring costs £m	Audited Lease dilapidations £m	Audited Total Provisions £m
At 1 April 2013	0.5	0.8	1.3
Provided during the period	-	0.4	0.4
Utilised during the period	(0.2)	(0.1)	(0.3)
At 31 March 2014	0.3	1.1	1.4

The provision for property leases relates to dilapidations on properties under leases expiring within 1 year and up to 14 years.

Restructuring relates to provisions arising following a change programme initiated in the financial year ended 31 March 2012, and relates mainly to irrecoverable property costs, which are expected to be utilised within one year and up to three years.

12 Taxation

Taxation is provided based on management's best estimate of the effective tax rate expected for the full financial year. The estimated annual tax rate (pre-exceptional items) used for the six months to 30 September 2014 is 21.9% (Six months to 30 September 2013: 22.0%, Year to 31 March 2014: 23.3%).

This reduction reflects the fall in the UK Corporation tax rate from 23% to 21% on 1 April 2014 and the impact on deferred tax of further reductions to 20% (effective from 1 April 2015).

13 Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of all dilutive options.

The group presents as exceptional items on the face of the consolidated statement of comprehensive income, those significant items of income and expense which, because of the size, nature and infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the period, so as to facilitate comparison with prior periods and to assess trends in financial performance more readily.

To this end, basic and diluted earnings per share are also presented on this basis.

The earnings per share is calculated as follows;

	Unaudited Six months to 30 September	Unaudited Six months to 30 September	Audited Year to 31 March
	2014	2013	2014
	£m	£m	£m
Profit after tax	**2.2**	9.3	17.5

The weighted average number of shares used in the calculations are as follows;

	No. of shares	No. of shares	No. of shares
Weighted average number of shares in issue	**54,728,824**	54,685,253	54,705,627
Dilutive effect of options	**200,026**	227,339	266,670
Diluted weighted average number of shares	**54,928,850**	54,912,592	54,972,297
Earnings per share - basic	**4.1p**	17.0p	32.0p
Earnings per share - diluted	**4.1p**	16.9p	31.9p
Underlying earnings per share - basic	**16.2p**	17.0p	32.0p
Underlying earnings per share - diluted	**16.2p**	16.9p	31.9p

14 Dividends

The final dividend for the year ended 31 March 2014 of 14.2p per share (2013: 12.4p) was paid on 25 July 2014. The £7.8m distribution (2013: £6.8m) is reflected in the financial statements for the six months ended 30 September 2014.

In addition, the Directors propose an interim dividend of 7.3p per share (2013: 7.1p per share) payable on 16 January 2015 to shareholders who are on the register at 5 December 2014. This interim dividend, amounting to £4.0m (2013: £3.9m) has not been recognised as a liability in these condensed consolidated interim financial statements.

15 Commitments and contingencies

Group capital expenditure committed, for the purchase of property, software, plant and equipment, but not provided for in these financial statements amounted to £17.2m (2013: £64,000).

16 Events occurring after the reporting period

There are no material events occurring after the reporting period, other than the proposed dividend referred to in note 14.

17 Related-party transactions

The nature of the related party transactions of the Group has not changed from those described in the Groups' 2014 Annual Report and Accounts. There were no transactions with related parties during the six months ended 30 September 2014 which have had a material effect on the results or the financial position of the Group.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

18 Risks and uncertainties

The specific principal risks and uncertainties that may affect the Group's performance, together with relevant mitigating factors as identified by the Group's risk management process were discussed on page 20 of the Group's 2014 Annual Report and Accounts. These included risks relating to HS2, IT systems, business continuity, legislation and regulation, competition and fuel factors, in addition to financial risks including credit risk. It is considered that these still remain the most likely areas of potential risk and uncertainty, with the position unchanged from that set out in the 2014 Annual Report and Accounts.

19 Seasonality

Historically, the Group experiences marginally greater demand for its parcels and palletised goods collection and delivery services in the second half of the year, as consignments increase in advance of the Christmas season. Such trends are not discernible within either the mail or courier markets.

Statement of directors' responsibilities

The Interim report is the responsibility of, and has been approved by, the directors of UK Mail Group plc. The directors are responsible for preparing the Interim report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority. The Disclosure and Transparency Rules require that the accounting policies and presentation applied to the half-yearly figures must be consistent with those applied in the latest published annual accounts, except where the accounting policies and presentation are to be changed in the subsequent annual accounts, in which case the new accounting policies and presentation should be followed, and the changes and the reasons for the changes should be disclosed in the Interim report, unless the United Kingdom Financial Conduct Authority agrees otherwise.

The directors confirm that these condensed consolidated interim financial statements have been prepared in accordance with IAS 34, 'Interim financial reporting', as adopted by the European Union, and that the interim management report includes a fair review of:

- the important events that have occurred during the first six months and their impact on the condensed consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year as required by DTR 4.2.7; and

- related-party transactions that have taken place in the first six months of the current financial year and changes in the related-party transactions described in the last annual report that have materially affected the financial position or performance of the group during the first six months of the current financial year as required by DTR 4.2.8.

The directors of UK Mail Group plc are listed in the UK Mail Group Annual Report for the year ended 31 March 2014. A list of current directors is maintained on the UK Mail Group website: www.ukmail.com.

By order of the Board

Guy Buswell, Chief Executive	Steven Glew, Finance Director
17 November 2014	17 November 2014

Independent review report to UK Mail Group Plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed the condensed consolidated interim financial statements, defined below, in the interim results statement of UK Mail Group Plc for the six months ended 30 September 2014. Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

This conclusion is to be read in the context of what we say in the remainder of this report.

What we have reviewed

The condensed consolidated interim financial statements, which are prepared by UK Mail Group Plc, comprise:

- the consolidated statement of comprehensive income for the six months ended 30 September 2014;
- the consolidated statement of financial position as at 30 September 2014;
- the consolidated statement of cash flows for the six months ended then ended;
- the consolidated statement of changes in equity for the six months then ended; and
- the explanatory notes to the condensed consolidated interim financial statements.

As disclosed in note 2, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed consolidated interim financial statements included in the interim results statement have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What a review of condensed consolidated financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim results statement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial statements.

Responsibilities for the condensed consolidated interim financial statements and the review

Our responsibilities and those of the directors

The interim results statement, including the condensed consolidated interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim results statement in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express to the company a conclusion on the condensed consolidated interim financial statements in the interim results statement based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
17 November 2014
Uxbridge

Notes:

(a) The maintenance and integrity of the UK Mail Group Plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.