

Wilmington Group plc

Annual Report and Accounts **2005**



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

Welcome to Wilmington Group

We are an information and training group dedicated to fulfilling the needs of professional business

Wilmington's strategy

To focus on specific professional business markets which:

- are of high value
- have information requiring regular updating
- operate in an environment of increasing compliance and regulation
- have demonstrable growth potential

Contents

Financial Highlights	1	Consolidated Profit and Loss Account	26
Officers and Advisers	2	Balance Sheets	27
Chairman's Statement	3-5	Consolidated Cash Flow Statement	28
Chief Executive's Operational Review	6-12	Notes to the Accounts	29-47
Financial Review	13-14	Independent Auditors' Report	48
Directors' Report	15-18	Pro-forma Five Year Financial Summary	49
Corporate Governance	19-21	Notice of Annual General Meeting	50
Report on Directors' Remuneration	22-25	Form of Proxy	51



LEGAL AND REGULATORY



HEALTHCARE



MEDIA AND ENTERTAINMENT

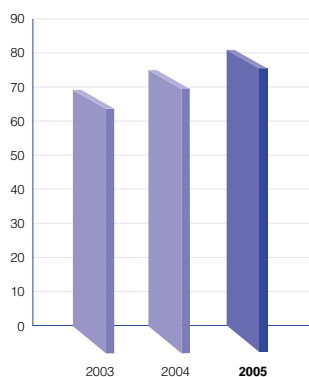


DESIGN AND CONSTRUCTION

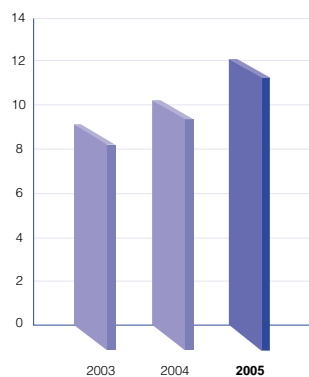
Financial Highlights

Our ability to react to market opportunities and focus resources precisely where they are most needed has led to significant growth.

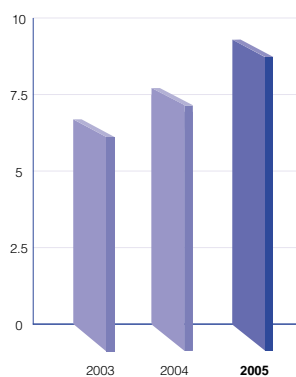
	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000	Increase %
Turnover	85,080	82,658	2.9
Turnover – continuing operations	80,696	74,744	8.0
Operating profit before exceptionals, amortisation, interest and taxation	12,971	10,613	22.2
Profit before taxation, amortisation and exceptionals (“Adjusted profit”)	12,079	10,205	18.4
Operating cash inflow	14,538	11,969	21.5
Adjusted earnings per share (pence)	9.28p	7.73p	20.1
Dividend per share (pence)	3.60p	3.00p	20.0



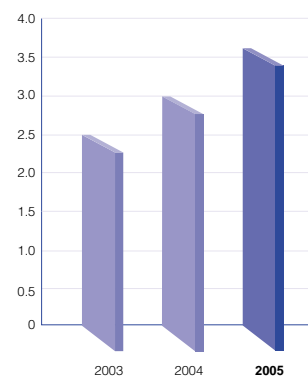
Turnover – continuing operations (£m)



Adjusted profit (£m)



Adjusted earnings per share (pence)



Dividend per share (pence)

Officers and Advisers

Directors

David L Summers – Non-Executive Chairman

David Summers, aged 63, joined the Board in January 2001. Mr Summers was formerly Managing Director and Deputy Chairman of Butterworths, the professional reference publishers, and previously a director of Reed Elsevier UK Ltd. He is a panel member of the Competition Appeal Tribunal. Mr Summers is a member of the Group's Audit, Remuneration and Nomination Committees.

Charles J Brady – Chief Executive

Charles Brady, aged 49, is a solicitor and was a law lecturer before founding in 1985 the business which is now Central Law Group (CLG). CLG was acquired by Wilmington in June 1999. Mr Brady joined the Board in November 1999 and was appointed Chief Executive in February 2002. He is a member of the Group's Nomination Committee.

R Basil Brookes – Finance Director

Basil Brookes, aged 47, qualified as a Chartered Accountant with Coopers & Lybrand. He has worked in the media industry since 1986 and joined the Wilmington businesses in 1992 and was a founder director of Wilmington Group.

Rory A Conwell – Executive Director

Rory Conwell, aged 52, has worked in the publishing and information industries for over 25 years. A founder director of Wilmington Group, he has been involved in most of the key investments that have created the shape and size of the business. He continues to concentrate on development initiatives for the Company.

Mark Asplin – Non-Executive Director

Mark Asplin, aged 45, joined the Board in April 2005. He was until 2002 a partner at KPMG. During his time at KPMG he helped build its Corporate Finance practice, undertaking roles which included Head of M & A and Head of Valuations, both for the central region of the UK. He left KPMG to set up

Jasper Corporate Finance, an independent corporate finance practise. Mr Asplin is Chairman of the Group's Remuneration and Nomination Committees and a member of the Group's Audit Committee.

Terry Garthwaite – Non-Executive Director

Terry Garthwaite, aged 59, joined the Board in June 2005. He is a chartered accountant and enjoyed a distinguished career in finance and industry including a period as Finance Director of engineering group Senior plc. He is currently a Non-Executive Director of electronics group Renishaw plc, and of European power transmissions supplier Brammer PLC, and also a Trustee of the Disability Resource Centre. Mr Garthwaite is Chairman of the Group's Audit Committee and a member of the Group's Remuneration and Nomination Committees.

Secretary

Ahmed Zahedieh – Company Secretary

Ahmed Zahedieh, aged 54, qualified as a Chartered Accountant with Ernst & Young.

Registered Office

Paulton House, 8 Shepherdess Walk
London N1 7LB
Company Registration No. 3015847

Head Office

19-21 Christopher Street
London EC2A 2BS
Tel: +44(0) 20 7422 6800
Fax: +44 (0) 20 7422 6822
Website: www.wilmington.co.uk

Advisers

<i>Financial Advisers and Stockbrokers</i>	Hoare Govett Limited 250 Bishopsgate London EC2M 4AA
<i>Registered Auditors</i>	PKF (UK) LLP Farringdon Place 20 Farringdon Road London EC1M 3AP
<i>Solicitors</i>	Lawrence Graham LLP 190 Strand London WC2R 1JN
<i>Principal Bankers</i>	Barclays Bank plc 1 Churchill Place, Canary Wharf London E14 5HP

<i>Registrars</i>	Lloyds TSB Registrars Scotland P.O. Box 28448 Finance House Orchard Brae Edinburgh EH4 1WQ
-------------------	--

Corporate calendar

Annual General Meeting	9 November 2005
Payment of Final Dividend	11 November 2005
Announcement of Interim Results	February/March 2006
Announcement of Final Results	September 2006

Chairman's Statement

Results

I am delighted to announce record results for the year to 30 June 2005. All sectors of the business have made good progress and the improved quality of the Group's portfolio of businesses reflects the successful restructuring last year.

Turnover in the year to 30 June 2005 was £85.1m (2004: £82.7m). Profit before tax, amortisation of goodwill and intangible assets and exceptional items ("adjusted profit") increased by 18.4% to a record £12.1m (2004: £10.2m). The modest increase in Group turnover reflects the disposal of the industrial magazine portfolio towards the end of the prior financial year and the disposal of the software development business, Abacus Software Limited, in January 2005. The turnover of the Group's continuing businesses increased by 8.0%.

Adjusted earnings per share increased by 20% to 9.28p (2004: 7.73p). Cashflow of £14.5m was generated from operating activities (2004: £12.0m), representing 121% of operating profit before amortisation of goodwill and intangible assets (2004: 115%).

Dividend

The Board remains committed to increasing dividends progressively and therefore is proposing a final dividend of 2.45p per share payable on 11 November 2005 to shareholders on the register on 7 October 2005. Taken together with the interim dividend of 1.15p per share, this will make a total dividend for the year of 3.6p per share, an increase of 20% over the 3.0p paid last year. The dividend is covered 2.6 times by adjusted earnings per share (2004: 2.6 times).

Strategy

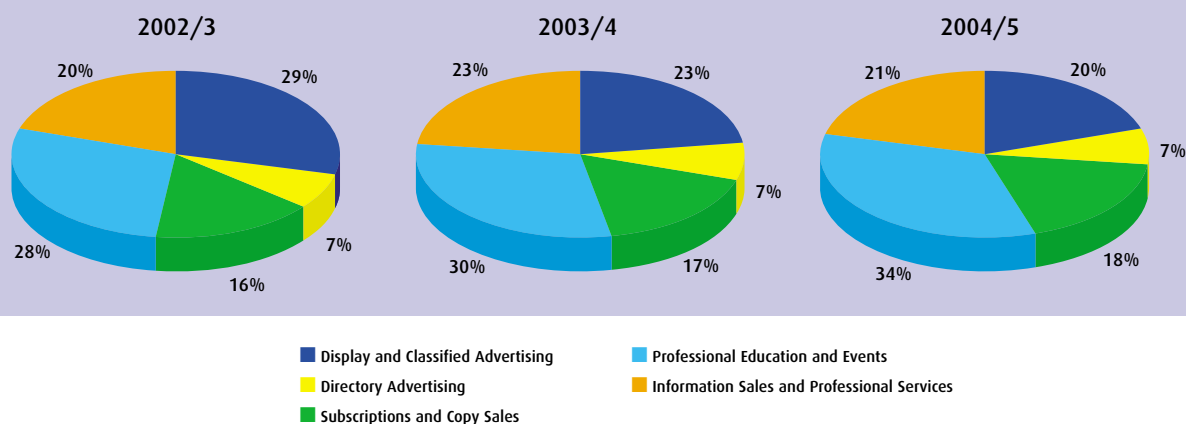
Wilmington's strategy is to generate sustainable and growing profits from servicing the information and training requirements of selected professional business markets. We aim to develop strong positions in key market sectors by focusing investment, both acquisitive and organic, on those markets and to expand revenue streams by adding new products and delivery channels. In these markets Wilmington provides researched and accurate information in a variety of formats. These range from professional magazines providing news and updates, to comprehensive databases delivered either electronically or in hard copy format. Wilmington also provides comprehensive training and conference programmes and a range of educational and accreditation schemes.

By understanding and working directly with our client base, Wilmington is able to provide essential support and information which frequently requires regular updating, thereby resulting in long-term and sustainable revenue sources. We focus on those market sectors where we have critical mass and where there is a demonstrable need for information and training. In many cases there are mandatory professional or regulatory requirements for clients to use the products we provide.

Highlights of the Year

The results for the year to 30 June 2005 reflect the significant progress made across the Group with each core division reporting increased profits and improved profit margins. An analysis of the Group's performance by market sector is set out in the Chief Executive's Operational Review. I would however like to highlight: -

Group Revenue by Source



The continuing growth in terms of profits and profit margins of our Legal and Regulatory division which generated a trading profit of £10.9m (2004: £9.6m) at a profit margin of 25.3%.

The Immigration & Asylum Accreditation scheme which has been a major project requiring the development and launch of an accreditation scheme for over 2,000 Immigration and Asylum advisers.

The Healthcare division which has seen profits grow by 51% to £1.9m in the year to 30 June 2005. We continue to invest, both domestically and internationally, in the launch of new products from this division.

I am also pleased to report that the Design and Construction division has recovered from a loss of £165,000 last year to a profit of £233,000 in the year to 30 June 2005.

As I reported in the Interim Report for the six months to 31 December 2004, we have incurred exceptional costs of £917,000 in the year to 30 June 2005. Most of this expenditure related to termination and redundancy payments and also the cost of exiting leasehold premises. Many of the businesses which have moved are now located in buildings owned by Wilmington. We anticipate cost savings in the region of £800,000 per annum, of which approximately half was realised in the year to 30 June 2005.

The Group's businesses generate strong cashflows. Cash generated from operating activities, before exceptional items, was £15.4m and even after exceptional items amounted to £14.5m, an increase of 21.5% over the prior year. After the servicing of interest and dividends, payment of taxes and capital expenditure, there was a free cash flow of £6.0m (2004: £4.9m). During the year the Group's investment activities

resulted in expenditure of approximately £9m. This included the acquisition of minority interests in three businesses, the acquisition of Quorum Training, the payment of deferred consideration relating to the acquisition of Bond Solon Training and the purchase of a freehold property. As a result the net debt of the Group increased from £4.5m to a modest £8.2m.

Board and Management Structure

The Board regularly reviews the performance of the Group to ensure that the correct operating structure and people are in place to deliver growth and enhanced shareholder value. During the year to 30 June 2005 we made extensive changes to our Board to create a more efficient structure and to reflect current corporate governance. First, we have reduced by two the number of executive directors on the main Board and created an executive management board which reports directly to the Chief Executive. Second, we have strengthened our non-executive capability and, in line with current best practice, now have an equal number of executive and non-executive directors in a board of six.

The changes to the plc board are: –

In October 2004 Nicholas Miller, one of the founder directors of Wilmington Group plc, stepped down from the Board. Nick was the executive director responsible for Wilmington's media division. As a result of the restructuring of the management of the Group by market sector, the role of managing director of the media division ceased to exist.

In June 2005 Stephen Broome, managing director of CLT, stepped down from the main Board. Stephen will continue as managing director of CLT, one of the fastest growing parts of the Group and joins the other divisional managing directors Michael Harrington and Neil Smith as a member of the Group's executive management board.

“All sectors of the business have made good progress and the improved quality of the Group's portfolio of businesses reflects the successful restructuring last year.”

In January 2005 Bernard Jolles, who had been a non-executive director since July 2001 and Chairman since January 2003, stepped down from the Board. Bernard left the business in good shape and well placed for the next phase of its development.

In April 2005 Mark Asplin joined the Board as a non-executive director. Mark, formerly a partner at KPMG, is an acquisitions and disposals specialist and he joins Wilmington at a time when we believe that the market place offers us some exciting possibilities. Mark has been appointed Chairman of the Group's Remuneration and Nomination Committees.

In June 2005 Terry Garthwaite joined the Board as a non-executive director. Terry is an experienced public company director. He was previously finance director of Senior plc and is currently a non-executive director of electronics group Renishaw plc and of European power transmissions supplier Brammer plc. Terry has been appointed as Chairman of the Group's Audit Committee.

Finally, today Richard Magee will step down from the Wilmington Board. Richard is now permanently resident in the USA and is stepping down from the Board after six years as a non executive director.

International Financial Reporting Standards ("IFRS")

We shall be adopting IFRS for the first time during the year ending 30 June 2006. The comparative figures for the year ended 30 June 2005 will be restated to reflect IFRS in those accounts. Our review of the IFRS treatment of goodwill and intangible assets has indicated that overall the carrying values in our balance sheet are substantially lower than the discounted cashflows that they are expected to generate.

However, we have provided in these UK GAAP accounts additional amortisation of £1.1m in relation to assets in a number of miscellaneous markets which are included in the segmental analysis under the category 'Other'.

Summary

I would like to thank my fellow directors, senior managers and all of the Group's employees who contributed to this year's successful results for their innovation, hard work and commitment.

Wilmington has in place an experienced and well-motivated management team able to take advantage of the Group's strong cashflow and robust balance sheet to develop the business. We have a strong reputation in areas that we want to develop and are well-placed to uncover and exploit the exciting possibilities both for organic growth and bolt-on acquisitions that we believe the current market offers.

The Board is encouraged by the progress made in the year to 30 June 2005 and remains confident of further good progress this financial year.

David Summers

Chairman

15 September 2005



Chief Executive's Operational Review

Results

Last year I indicated that Wilmington intended to focus on key market sectors where we can develop complementary information and training assets. To achieve this we needed to streamline and improve the management team, increase efficiency and grow our business through both organic development and acquisitions. I outlined the Board's determination to take the action necessary to improve the quality of the business whilst delivering consistent profit growth.

With adjusted profit and earnings per share increasing by 18.4% and 20.1%, to £12.1m (2004: £10.2m) and 9.28p (2004: 7.73p) respectively, and margins improving across our operations, it is clear that there has been significant progress in the Group's performance during the year and that we are succeeding in our objectives.

Wilmington's People

Wilmington's growth and success depends on the quality of the people it employs and we are fortunate to enjoy the entrepreneurship, professionalism and flexibility that provide the basis for a successful business.

These characteristics have enabled us to make and sustain extensive changes during the last couple of years. We have challenged the Wilmington team to change working practices, develop new technologies, undergo additional training, move location and to take on greater responsibility while continuing to grow profitability and earnings per share. Wilmington employees have responded positively to these challenges, delivering improved performance whilst maintaining a professional and friendly outlook at work; I thank them for their enthusiasm, hard work and support.

The pace of change is evidenced by our property moves. We have recently acquired new premises for APM in Paris, moved CLT (Scotland) to new offices and training centre in Glasgow,

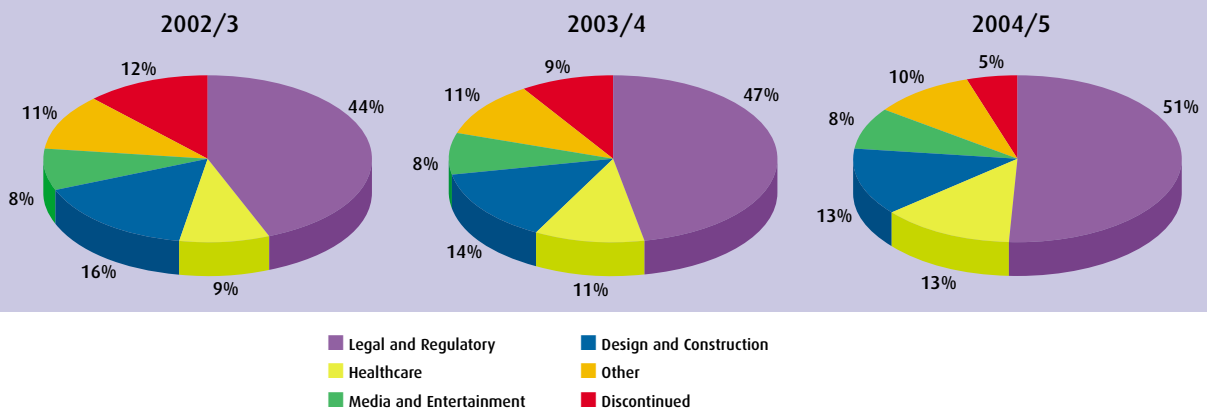
purchased new freehold premises for Beechwood in Basildon, moved the design magazines and events from Chelmsford to Central London, moved the Polygon business to Wilmington's existing premises at Fooks Cray, Kent, and moved our catering business, Dewberry Redpoint, into new office accommodation. We have also purchased and equipped a new production unit for Central Law Training in Sutton Coldfield. In total approximately 265 people are now in new premises and our businesses are operating from better quality accommodation, often occupying properties owned by the Group, and yielding substantial ongoing cost savings.

At the same time there have been major changes to working practices and significant investment in new technology and equipment. These developments have required a lot of hard work and dedication from Wilmington's team, which has planned and implemented major changes in premises and working practices, but they bode well for the future. During the year to 30 June 2005 the average number of people employed by the Group has decreased from 1,084 to 975, a reduction in excess of 10%.

We do not anticipate any lessening in the pace of change. The property reorganisation is now largely complete but we foresee continuing technological development across the Group; in particular, the speed at which the Group is developing Internet and e-technologies is increasing.

Wilmington's Directors and executive management team believe that the only way that we can achieve the intended high levels of growth is to retain and attract the very best people. The Board and I are determined to ensure that Wilmington remains a great place to work where people have the opportunity to challenge themselves, to grow professionally and to benefit from high levels of remuneration and incentives. Only by continuing to develop the skills of our current team and by recruiting the very best new talent can Wilmington continue to grow at the rate we wish.

Turnover by Market



Acquisitions and Disposals

In August 2004 we purchased the 45% minority shareholding in International Compliance Training (“ICT”). ICT, which provides anti-money laundering and compliance training programmes in a number of jurisdictions including the UK, has had a good year. We believe that there is considerable potential for further growth in this area and will continue to invest in the recruitment of additional staff and the development of new products.

In January 2005 we sold our 75% shareholding in Abacus Software for £760,000. Wilmington originally acquired Abacus to help with the development of our Internet activities. We have gained significant insight into the development of web-based technologies and have benefited from the many applications developed for us by Abacus. However, we no longer felt that it was necessary to own a software development business to achieve our e-technology objectives.

We are experiencing increasing demands for information delivered electronically across all aspects of our business. We continue to make extensive investment in new applications which either increase the efficiency of our products, in some cases creating new business models, or reduce the costs of operation. Development is either undertaken internally within the Group or outsourced to a number of leading specialists.

In May 2005 we acquired Quorum Training which provides training to finance and accountancy professionals employed in commerce, industry, central and local government. This is an area where there are increasing continuing professional development regulations. Quorum has an excellent reputation for the quality of its programmes and we believe it will provide a strong platform to substantially develop the Group’s activities in this area.

During the year we also acquired the outstanding minority shareholdings in Redpoint Marketing (part of the Drinks and

Catering division) and Polygon Media (part of the Design and Construction division). Since the year end we have completed the acquisition of the remaining minority interest in Bond Solon Training (providers of witness training). We will also acquire the outstanding minority shareholdings in Pendragon Professional Information and Hollis Directories in the Autumn of 2005. All of these acquisitions will be earnings enhancing.

In acquiring these outstanding minority interests we obtain greater management flexibility and will benefit from further integration into our core businesses.

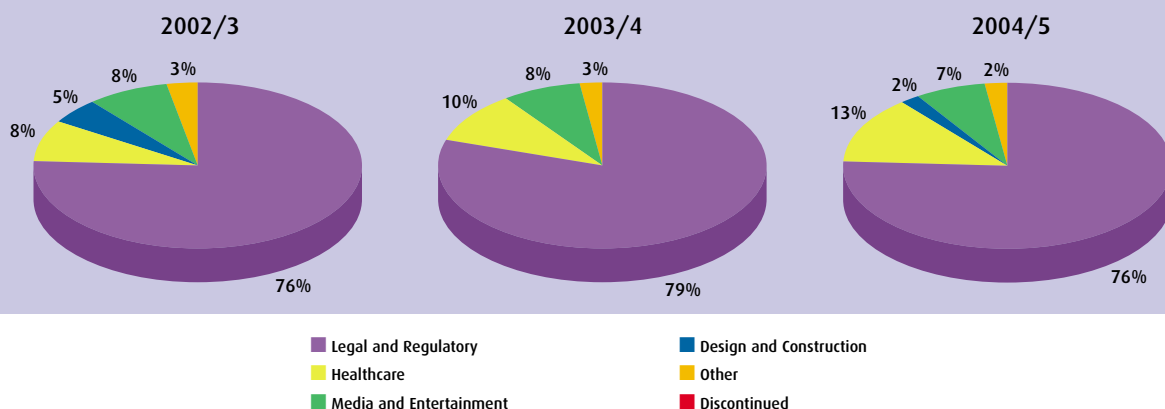
I have previously indicated that there were parts of Wilmington’s portfolio that were in markets the Group no longer intended to pursue, or did not have the profit and growth characteristics that the Group sought. Subsequent to the year end, we have disposed of a portfolio of assets servicing the drinks market. The results of this business for the year to 30 June 2005 are shown as ‘Discontinued’. The remainder of what was the Drinks and Catering division is now included in the segmental analysis under the category ‘Other’. This continues the process whereby, in recent years, Wilmington has effectively managed a number of non-core activities with a view to exiting at an appropriate time.

Review of Operations

All our key business divisions showed increased profits and improved profit margins against the previous year, with particularly strong performances by our Legal and Regulatory and Healthcare businesses.

During the year we incurred exceptional costs of £917,000. Most of this expenditure related to termination payments and the costs of exiting leasehold premises. The reorganisation has created a more robust management team and business infrastructure which will be better able to develop the Group in the future.

Profit by Market



Chief Executive's Operational Review

continued

Legal and Regulatory

	Year ended 30 June 2005	Year ended 30 June 2004
	£'000	£'000
Turnover	43,228	39,087
Trading profit*	10,918	9,622
Margin	25.3%	24.6%

*Trading profit is before unallocated central overheads, amortisation, interest, exceptional items and tax

This is our largest division accounting for 50.8% of Group turnover and contributing 75.8% of Group trading profit. Turnover has grown by 10.6%, trading profit increased by 13.5% and the operating margin grew to 25.3%. Our Legal and Regulatory division is a resilient and growing business, combining high quality "must have" information with a range of focused, market leading products and events.

Waterlow provides information, magazines and services to the legal, accountancy, surveying, pensions, finance and charity markets. Waterlow products, which date back to 1844, are clear market leaders with high quality proprietary content and strong customer renewal rates.

In addition to products for professional markets, published under the Waterlow brand, subsidiary brands include:

- **Pendragon** which provides the leading electronic information service for UK pensions lawyers
- **ICP**, a leading provider of financial information on companies worldwide, specialising in emerging markets
- **Charity Choice**, the market leading products through which UK charities promote themselves to the legal profession and individual donors
- **Caritas**, the leading provider of financial analysis of charitable organisations in the UK

- **Solicitors Journal**, a leading weekly magazine and portfolio of products for the legal profession (and winner of the law librarian's prestigious BIALL 'Legal Journal of the Year' award for 2005).

All Waterlow's markets show common characteristics including large professional client bases with strong information needs, increasing regulatory requirements and lack of cyclicality. These characteristics have provided a stable base upon which Waterlow has been able to develop a cash generative and growing business with excellent margins.

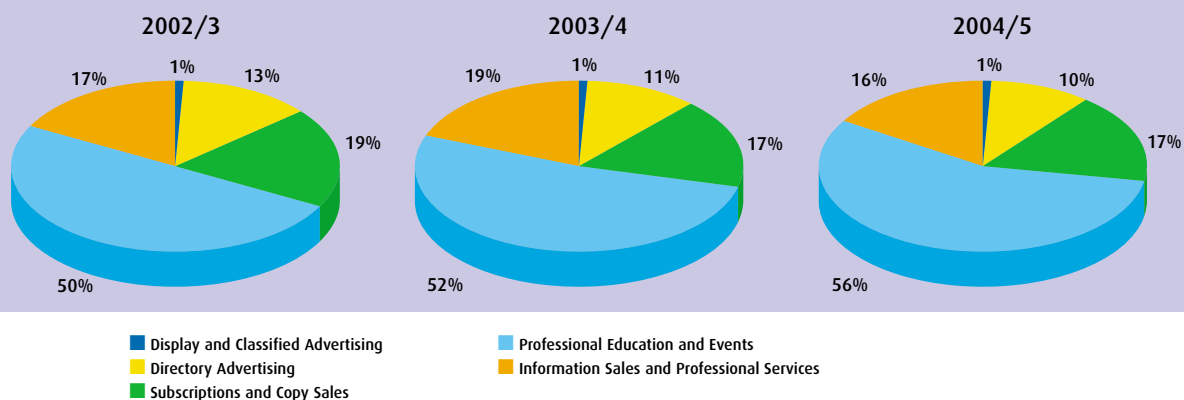
The development of electronic publishing has been a major factor in the development of the business, with the proportion of revenues derived from higher margin products and services delivered electronically increasing last year to over 47%.

The business has seen constant growth in sales and profits in recent years as a result of both strong organic growth and the successful integration and development of acquisitions.

The development of our recent acquisitions has continued in an encouraging manner. **Solicitors Journal** and **Pendragon**, two recent acquisitions, saw their combined revenues and profits grow by over 15%. As a demonstration of the value created by these acquisitions, our return on investment in both cases is in excess of 40%. We remain confident of continued development in these businesses and are enthusiastically looking for other acquisitions where we can generate value for our shareholders.

Our professional education and training activities continued to report good turnover and profit growth. **Central Law Training** ("CLT"), which serves the legal and financial markets, is the market leader for the provision of mandatory post-qualification training courses and accredited programmes for UK lawyers. It delivers more than 4,000 training courses per year.

Legal and Regulatory Revenue by Source



Our legal training business is founded on a growing subscription membership base and excellent marketing capability. These strengths are aligned with the success of the CLT management team in establishing excellent working relationships with National and Local Law Societies, major universities and professional bodies including the Lawyer's Commerce & Industry Group, International Trust Companies Association, Society of Trust and Estate Practitioners and the British Bankers Association.

Over the past 12 months there has been substantial growth in the number of high level Law Society accredited programmes presented by CLT, including those for overseas lawyers (QLT) and for lawyers requiring accreditation in areas of Immigration and Asylum, Criminal Practice and Higher Rights of Audience. This area remains buoyant, with a number of new initiatives planned. The launch of the Commission for Legal Service's Immigration and Asylum Accreditation scheme was a success with the vast majority of advisers assessed during the year ended 30 June 2005. We anticipate ongoing activity, albeit at a lower volume, from new entrants and Immigration and Asylum advisers seeking to upgrade their qualifications.

The major successes in the period have included the continuing growth of CLT Scotland and the highly successful launch of CLT Ireland. This jurisdictional expansion of CLT's training programmes is also typified by the launch of accredited International Diplomas and Certified Programmes in Compliance and Anti-Money Laundering. These latter programmes have benefited from strong working relationships which have been established with the Compliance Institute and the International Compliance Association.

At the start of the financial year we acquired the 45% minority shareholding in ICT. ICT is still in its development phase, requiring ongoing investment. Nevertheless it has performed well during the year with good growth in trading profit.

Bond Solon, the witness training company acquired by CLT in 2001, has had another excellent year with further growth in turnover and profit.

Towards the end of the year we also successfully acquired **Quorum Training**. Its acquisition provides us with immediate skills and market presence through which we can accelerate the development of training for finance professionals.



LEGAL AND REGULATORY

"Wilmington's detailed knowledge of Legal and Regulatory markets is:

- vital to promote and develop existing and new initiatives
- a major attraction to potential partners
- eagerly sought by third parties wishing to access these vibrant markets."

Chief Executive's Operational Review

continued

Healthcare

	Year ended 30 June 2005	Year ended 30 June 2004
	£'000	£'000
Turnover	10,738	8,833
Trading profit*	1,880	1,246
Margin	17.5%	14.1%

*Trading profit is before unallocated central overheads, amortisation, interest, exceptional items and tax

Healthcare accounted for 12.6% of Group turnover and 13.1% of Group trading profit. Healthcare is a high value market where a combination of accelerating use of technology and rapid changes in information requirements are creating many opportunities for us.

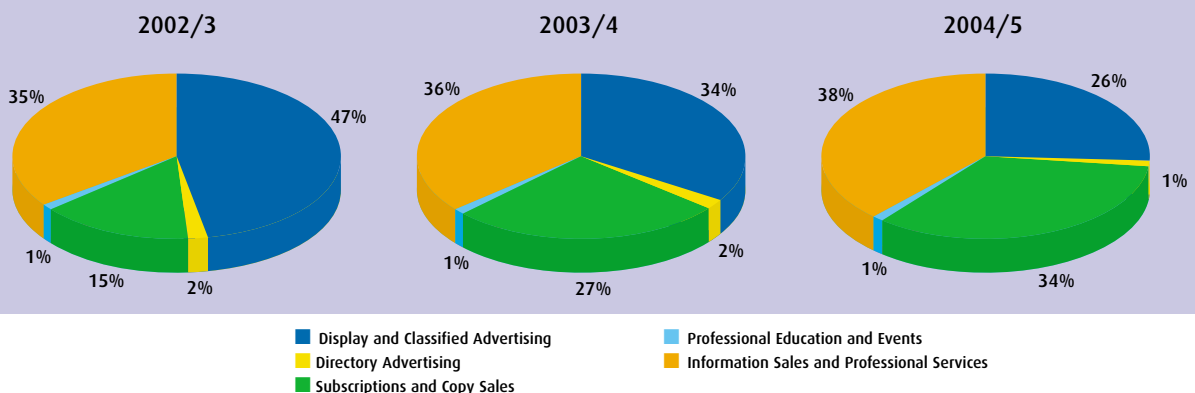
Binleys is a specialist data provider to healthcare and pharmaceutical industries. It continues to invest strongly in organic growth and as part of its development programme released two new electronic products for the pharmaceutical market. These complement the existing online products and help to plan and manage sales of drugs to the healthcare market place.

APM, our French Press Agency based in Paris, provided its first full year contribution to the Group and we are extremely pleased with its progress. It is the leading provider of healthcare news to its home market and is building a European brand as it develops a wider range of products.

We are managing these businesses on an increasingly strategic basis with product sets from each being used to reinforce and enhance the offerings from the other divisions. This will continue at an accelerating pace as we invest in the European healthcare and pharmaceutical markets.



Healthcare Revenue by Source



Media and Entertainment

	Year ended 30 June 2005	Year ended 30 June 2004
	£'000	£'000
Turnover	7,001	6,647
Trading profit*	1,031	947
Margin	14.7%	14.2%

*Trading profit is before unallocated central overheads, amortisation, interest, exceptional items and tax

Media and Entertainment, which accounts for 8.2% of Group turnover and 7.2% of Group trading profit, had a satisfactory year.

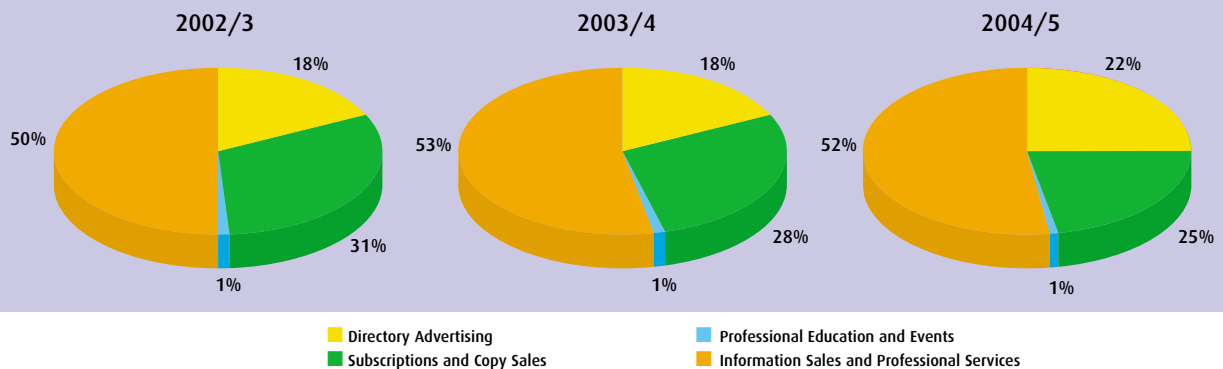
The division provides information, data and services to the TV, music, public relations, sponsorship and marketing sectors. Operating through a number of leading brands including Hollis, RED-Muze, PCR and onMusic (formerly TMSS), it provides its information as electronic products, newsletters, directories and events. This sector is increasingly delivering its information through the Internet.

We are very satisfied with progress made by our joint venture RED-Muze, which supplies information on recorded music and video to both retailers and e-tailers. Our partners in the USA supply equivalent data to the American and Asian markets and we expect continued progress from this division as we develop further into the main European markets.



In January 2005 we disposed of Abacus, our specialist Internet software subsidiary, and accordingly the results of Abacus have been excluded from this division and are shown under Discontinued activities.

Media and Entertainment Revenue by Source



Chief Executive's Operational Review

continued

Design and Construction

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Turnover	11,444	11,282
Trading profit*	233	(165)
Margin	2.0%	(1.5%)

*Trading profit is before unallocated central overheads, amortisation, interest, exceptional items and tax

Design and Construction, which accounts for 13.5% of Group turnover and 1.6% of Group trading profit, made good progress in the year under review and has returned to profit in the year.

This division provides magazines, yearbooks, events and electronic products to the construction industries. It has benefited from a management and organisational restructuring which has streamlined the cost base whilst allowing us to improve revenues. We expect further progress across all its activities in the current year.

It is worth noting that display advertising in our leading products held up well and, while advertising tightened slightly in the final quarter, we were satisfied with all revenue streams in this division.



Other and Discontinued

The remainder of our turnover falls into a number of miscellaneous markets or are revenues from discontinued businesses. Drinks and Catering, which in the year ended 30 June 2005 accounted for 10.1% of Group turnover and 2.1% of Group trading profit, made modest progress in the year. Revenues were affected by continued depressed display advertising and also reflect the elimination of non-contributing products. Events made solid progress with both catering conferences and the 'International Wine Challenge', generating good results.

Summary and outlook

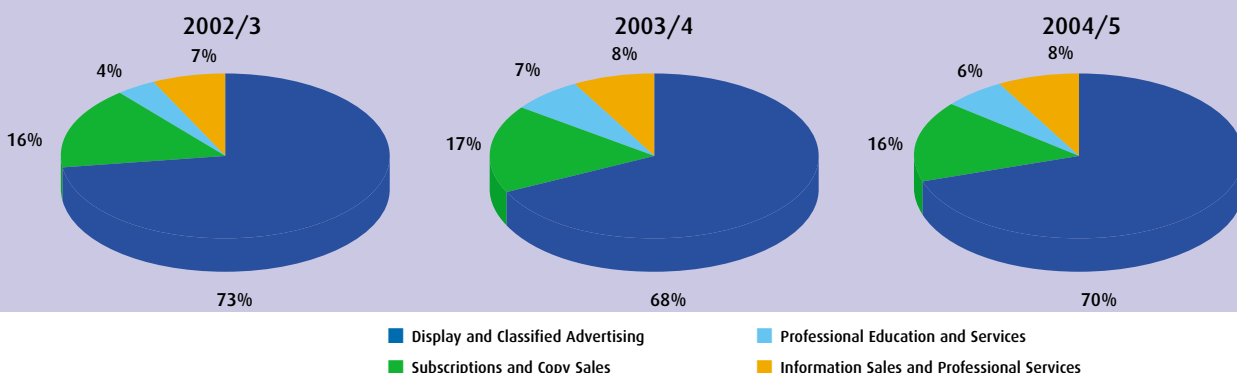
Wilmington has developed a number of resilient profitable businesses with a solid record of performance. The Group is cash generative, with good profit margins and substantial repeat revenues. We are building multi media businesses, with diversified revenue streams, in our core markets. This diversity creates a robust business model and allows a greater understanding and insight into the dynamics of the markets we serve.

We are set to make further good progress this financial year, satisfying the growing requirement for high quality information and training amongst the professional business communities we serve. The current year has started in line with our expectations and, as in the previous years, we expect that the Group's performance will be weighted to the second half of the year.

Charles J Brady
Chief Executive

15 September 2005

Design and Construction Revenue by Source



Financial Review

Basis of consolidation

The Group accounts comprise the consolidated accounts of the Company and its subsidiary undertakings prepared using consistently applied accounting policies.

Turnover

Group turnover was £85,080,000 for the year ended 30 June 2005, compared to £82,658,000 for the year ended 30 June 2004.

Revenues from non-advertising sources (including, for example, training, subscriptions and information services) continued to grow and represented approximately 73 per cent. of revenue for the year ended 30 June 2005 (year ended 30 June 2004: 70 per cent.).

Overseas sales were £15,672,000 for the year ended 30 June 2005, representing a 13 per cent. increase on the year ended 30 June 2004 figure of £13,915,000.

Operating profit

Operating profit before amortisation and impairment of goodwill and intangible assets and exceptional items increased to £12,971,000 for year ended 30 June 2005, compared to £10,613,000 for the year ended 30 June 2004.

Amortisation of £6,138,000 (2004: £4,794,000) includes a non-recurring charge of £1,133,000 (2004: £nil) which relates to a write down of non-core assets.

Operating profit of £5,916,000 (2004: £5,569,000) is shown after exceptional costs of £917,000 relating to restructuring costs (2004: £250,000 relating to abortive transaction costs where substantial due diligence work had been carried out).

Profit before taxation

Profit before taxation was £5,024,000 for the year ended 30 June 2005 compared to £5,412,000 for the year ended 30 June 2004.

Taxation

The current period corporation and foreign tax charge of £3,400,000 represents 67.7 per cent. of the Group's profit before taxation (2004: 52.9 per cent.). The majority of amortisation of goodwill and intangible assets is disallowable for corporation tax purposes. Adjusting for the impact of exceptional items and amortisation of goodwill and intangible assets the current period corporation and foreign taxation charge represents 30.5 per cent. (2004: 30.8 per cent.).

Minority interests

Minority interests allocated out of the period's profit were £713,000 for the year ended 30 June 2005 compared to £658,000 for the year ended 30 June 2004.

Earnings per share

Earnings per share decreased to 1.20p for the year ended 30 June 2005 compared to 2.47p for the year ended 30 June 2004. Earnings per share is calculated on the weighted average number of shares in issue of 83,394,158 for the year ended 30 June 2005 (year ended 30 June 2004: 83,292,467). Adjusted earnings per share, which is calculated before amortisation of goodwill and intangible fixed assets and exceptional items increased to 9.28p for the year ended 30 June 2005 compared to 7.73p for the year ended 30 June 2004.

Gearing and cash flow

At the balance sheet date the Group had net debt of £8,196,000. Operating cash flow for the year ended 30 June 2005 of £14,538,000 was 121 per cent. of operating profit before amortisation and impairment of goodwill and intangible assets (2004: 115 per cent.). The free cash flow, calculated after deduction from operating cash flow of replacement capital expenditure, payment of corporation tax, payment of interest and equity dividends was £6,035,000 (2004: £4,851,000).

Cash of £655,000 was used in acquiring a freehold property and on related refurbishments for our legal training business.

The acquisitions of Quorum Training Limited, Institute of Healthcare Management Yearbook, the outstanding minority interests in Polygon Media Limited, Redpoint Marketing Limited and International Compliance Training Limited together with the payment of deferred consideration on the original purchase of the 75 per cent. interest in Bond Solon Training Limited resulted in a cash outflow on acquisitions of £9,005,000.

Treasury policy

The Group does not have significant foreign exchange exposure but does have some net income in US dollars and Euros. These dollars and Euros are sold periodically having regard to both prevailing exchange rates and transaction charges. The Group has agreed to hedge its interest rate exposure on approximately two thirds of any amount borrowed (subject to a £10 million minimum) under the revolving credit facility agreement with its bankers.

Cash and debt is managed on a Group wide basis and subsidiaries operate within funding restrictions controlled by the Executive Directors of the Group.

International Financial Reporting Standards

All European Union listed groups are required to adopt International Financial Reporting Standards (IFRS) for accounting periods commencing after 31 December 2004. Accordingly the Group will produce its accounts in accordance with IFRS for the year ending 30 June 2006 with comparative information for the year to 30 June 2005.

It is anticipated that the accounting treatment of the following items in particular will be impacted

- Goodwill and Intangible Assets
- Deferred Tax
- Share Options
- Pension Fund surplus/deficit
- Holiday Pay

Of these the treatment of Goodwill and Intangible Assets is expected to be by far the most significant.

Our review of the IFRS treatment of goodwill and intangible assets has indicated that overall the carrying values in our balance sheet are substantially lower than the discounted cash flows they are expected to generate. However, as noted above, we have provided in these UK GAAP accounts additional amortisation of £1,133,000 in relation to assets in a number of miscellaneous markets which are included in the segmental analysis under the category "other".

It is currently anticipated that the impact of IFRS on the results for the year ended 30 June 2005 will be announced on 9 November 2005.

Basil Brookes

Finance Director

15 September 2005

Directors' Report

For the year ended 30 June 2005

The Directors present their report together with the financial statements and the independent auditors' report for the year ended 30 June 2005.

Business review

The Group's principal activity is the provision of information to business markets through directories, electronic products, events, magazines, training courses and other media. The performance of the business and future developments are reviewed in the Chairman's Statement, the Chief Executive's Operational Review and the Financial Review. The Group's acquisitions during the year are dealt with in Note 12 to the accounts.

The business does not require expenditure on pure research. However, market research and analysis is written off as incurred. All internal product development costs have been written off as incurred.

Results and dividends

The Group's financial results are set out in the consolidated profit and loss account. Turnover is analysed by market sector and geographically in Notes 2 and 3 of the consolidated accounts. Retained losses of £2,004,000 will be deducted from reserves. An interim dividend of 1.15p per ordinary share (2004: 1.0p) was paid on 8 April 2005.

The Directors recommend a final dividend of 2.45p per ordinary share (2004: 2.0p) which, if approved by shareholders, will be paid on 11 November 2005 to shareholders on the register on 7 October 2005.

Directors and their interests

The Directors holding office during the year, and their interests in shares and options, are shown in the Report on Directors' Remuneration.

M Asplin and T Garthwaite were appointed as Non-Executive Directors on 6 April 2005 and 15 June 2005 respectively. N J Miller, B N Jolles, S P Broome and R W P Magee resigned as directors on 7 October 2004, 18 January 2005, 15 June 2005 and 15 September 2005 respectively.

R W P Magee was a member of the Audit Committee, Remuneration Committee and Nomination Committee until his resignation as a Director.

C J Brady, an Executive Director, retires by rotation and, being eligible, offers himself for re-election at the Annual General Meeting. M Asplin and T Garthwaite, Non-Executive Directors, having been appointed since the last Annual General Meeting, retire and, being eligible, offer themselves for re-appointment at the Annual General Meeting. Biographical details of all three Directors are set out on page 2. C J Brady has a service contract with the Company which may be terminated by either party on 12 months' notice. M Asplin and T Garthwaite have letters of appointment with the Company under which

their appointments may be terminated by either party on 3 months' notice.

Details of the Directors' service contracts and letters of appointment are shown in the Report on Directors' Remuneration.

Other than as disclosed in the Report on Directors' Remuneration, none of the Directors had any interest, either during or at the end of the financial year, in any material contract or arrangement with the Company or any subsidiary undertaking.

Substantial shareholdings

As at 9 September 2005, in addition to the interests of the Directors, the Company had been notified of interests in 3 per cent. or more of the issued share capital of the Company as shown below. Interests are shown as a percentage of shares in issue at 9 September 2005.

	Number of ordinary shares	Percentage
B D Gilbert	8,759,907	10.48
Haymarket Magazines Limited	2,592,234	3.10

Fixed assets

The Directors do not believe that there is a significant difference between the market values and the balance sheet values of the Group's interests in freehold land and buildings.

Changes in share capital

248,500 ordinary shares were issued during the year in respect of share options exercised by members of staff.

Post balance sheet event

On 13 September 2005 the Group completed the disposal of a portfolio of assets servicing the drinks market for a cash consideration of £2.2 million. The results of this business for the year to 30 June 2005 are shown as 'Discontinued'. The remainder of what was the Drinks and Catering division is now included in the segmental analysis under the category 'Other'.

Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the Company and the Group at the end of the period and of the Group profit or loss for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for ensuring that the Directors' Report, the Report on Directors' Remuneration and other information in the annual report are prepared in accordance with company law in the United Kingdom. They are also responsible for ensuring that the annual report includes information required by the Listing Rules of the Financial Services Authority.

The maintenance and integrity of the Group's web site 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 web site.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Charitable donations

The Group made charitable donations of £3,817 (2004: £5,312) during the year. No political donations were made during the year (2004: £nil).

Payment policy

The Group endeavours to settle payments to its suppliers in accordance with mutually agreed terms and conditions of business.

The estimated time taken to pay suppliers was 51 days (2004: 46 days).

Employees

The Group's policy is to consider all job applications on a fair basis free from discrimination in relation to colour, race, national origin, sex, sexual orientation, religion or handicap not related to job performance. Every consideration is given to applications for employment from disabled persons, where the requirements of the job may be adequately covered by a handicapped or disabled person.

Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development wherever appropriate.

The Group affords staff the opportunity to advance to positions of greater responsibility and authority based on their skills and ability to perform the work required. Opportunities for training, promotion or transfer are not affected by colour, race, national origin, sex, sexual orientation, religion, handicap not related to job performance or disability.

Employee involvement

The Group places a great deal of importance on communicating its plans and objectives to all its staff and, where appropriate, consulting with them. Within each of the divisions there are profit centres run by experienced business managers the majority of whom are shareholders in the Company or its subsidiaries and whose remuneration is linked to revenue and/or profit achievements.

The Group operates Share Option Schemes details of which are given both below and in note 24 to the accounts.

Share options

The Wilmington Group plc 1995 Unapproved Share Option Scheme (the "Unapproved Scheme") was adopted by the Company on 22 November 1995 and is administered by the Remuneration Committee of the Board (the "Remuneration Committee"). It provides for the grant of non-transferable options to acquire shares in the Company at prevailing market prices at the time of the grant. The exercise of options granted under the Unapproved Scheme is normally conditional upon achieving performance targets set by the Remuneration Committee.

The Wilmington Group plc 1999 Approved Share Option Scheme (the "Approved Scheme") was adopted on 2 September 1999 and approved by the Inland Revenue on 29 September 1999. The Approved Scheme is administered by the Remuneration Committee and provides for the grant of non-transferable options to acquire shares in the Company at prevailing market prices at the time of grant. The exercise of options granted under the Approved Scheme is normally conditional upon the achievement of performance targets set out by the Remuneration Committee.

The Wilmington Group plc 2003 Unapproved Executive Share Option Scheme (the "Unapproved Executive Scheme") was adopted on 5 November 2003. It is intended that the Unapproved Executive Scheme will primarily be operated through an employee share ownership trust, the trustees of which, at the recommendation of the Remuneration Committee, may grant non-transferable options to one or more employees (including Directors) of the Group to acquire existing or new shares in the Company at prevailing market prices at the time of the grant. The exercise of

options granted under the Unapproved Executive Scheme will normally be conditional upon the achievement of performance targets recommended by the Remuneration Committee.

The Wilmington Group plc 1995 Savings-Related Share Option Scheme (the "SAYE Scheme") was adopted on 22 November 1995 and approved by the Inland Revenue on 25 October 1996. It provides for the grant of non-transferable options to acquire shares in the Company at a discount of up to 20 per cent. to prevailing market prices at the time of the grant.

In the case of each of the schemes, no consideration is payable for the grant of options and options may generally be exercised three years after the dates of their grant (subject to the achievement of any applicable performance targets).

No options were granted during the year under any of the above schemes.

Pension schemes

In compliance with legislation, all UK employees have access to a stakeholder pension scheme.

The Group operates a defined benefit pension scheme for a limited number of members, the Wilmington Media Limited Pension Scheme, details of which are given in note 33 to the accounts.

Health and safety policy

Management at all levels are conscious of and committed to their responsibilities in securing the health, safety and welfare of employees and others, arising from the Group's activities.

Environmental policies

Wilmington has no manufacturing base and therefore produces no major polluting emissions that affect the environment. The principal environmental impacts emanate from its printing and paper usage, via its suppliers, and the packaging waste created by its various activities. The Group is mindful of this and is working to reduce these effects.

Whilst the Group increasingly delivers information electronically, the use of the printed word is still a major factor. When purchasing paper its policy is to use suppliers conforming to the industry standard ISO 14001 – or its equivalent. The majority of paper is ECF (elemental chlorine free) and when purchasing the Group ensures that its paper is being produced from sustainable forests and resources.

When selecting print suppliers the Group looks for those with a responsible approach to the environment and who have good working practices in place to reduce and control waste at all stages of the production process. This is monitored by regular visits to suppliers ensuring that standards are maintained. Within the last three years the Group has reduced

the use of film to an insignificant amount by using electronic digital workflow techniques. This equates to a reduction of approximately 5 tons of film per annum. In addition there are the related reductions in chemical, water and transportation usage and costs. The Group has also brought much of its magazine production 'in-house' which is not only more efficient, but also reduces the need for couriers and other energy using processes.

The Group is a member of Valpack and fulfils its responsibilities for recovery and recycling of packaging waste through this nationwide compliance scheme.

The Group's activities are primarily based in office accommodation and wherever practicable the Group adopts energy saving policies. As regards the office environment, the Group encourages the recycling of materials such as paper, toners and cartridges wherever sensible.

Insurance

To preclude the possibility of the Company incurring expenses which might arise from the need to indemnify a Director or Officer from claims made against him or her or the cost associated with their defence, the Group has effected Directors' and Officers' liability insurance as permitted by the Companies Act 1985.

Annual General Meeting

Included in this Report and Accounts is a notice convening the Annual General Meeting of the Company to be held at the offices of Hoare Govett Limited, 250 Bishopsgate, London EC2M 4AA on 9 November 2005 at which the resolutions set out in the notice will be proposed.

The notice includes items of special business described below. Under the provisions of the Companies Act 1985 (the "Act"), the Directors may only allot unissued shares (other than pursuant to employee share schemes) if authorised to do so by the Company's articles of association or with the authority of shareholders. Accordingly, at the Annual General Meeting, resolution 8 on the notice will be proposed as an ordinary resolution to renew the authority of the Directors to allot ordinary shares of 5p each having a nominal value of up to £1,393,336 which currently amounts to 27,866,726 ordinary shares of 5p each, such authority to expire at the conclusion of next year's Annual General Meeting of the Company or the date being 15 months after the date of passing of the resolution, whichever is the earlier. This represents approximately 33.33% of the issued ordinary share capital of the Company as at 9 September 2005. The authority replaces that which was granted at last year's Annual General Meeting. Other than fulfilling the Company's obligations pursuant to the exercise of options granted under the Company's employee share option schemes, the Directors have no present intention of issuing any part of the unissued ordinary share capital of the Company.

Under section 89 of the Act, equity securities issued for cash must first be offered to existing shareholders in proportion to their existing holdings. At last year's Annual General Meeting, the Directors were empowered to allot equity securities without first being required to offer such securities to existing shareholders strictly in accordance with section 89 of the Act or otherwise up to a limited number of shares. Resolution 9 on the notice will be proposed as a special resolution to replace the power granted at last year's Annual General Meeting for a further period expiring at the conclusion of next year's Annual General Meeting or 15 months after the date of the passing of the resolution, whichever is the earlier. The power will enable the Directors to allot shares otherwise than pro rata to existing shareholdings:

- (a) in connection with a rights issue which is made not strictly in accordance with section 89 of the Act; or
- (b) otherwise having a nominal value of up to £209,000 which currently amounts to 4,180,009 ordinary shares of 5p each. This represents approximately 5% of the issued ordinary share capital of the Company as at 9 September 2005.

The power, if granted, will extend to the sale of any shares in the Company held as treasury shares (see below) in the circumstances described above.

At the company's Annual General Meeting in 2003, the Company sought authority to buy back some of its shares in the market and indicated at the time that it would seek to renew the authority at successive Annual General Meetings. The authority was renewed at last year's Annual General Meeting. Accordingly, resolution 10 on the notice will be proposed as a special resolution to authorise the Company to purchase up to 8,360,018 ordinary shares of 5p each in the market, representing approximately 10% of the issued ordinary share capital of the Company as at 9 September 2005, at a price not less than the nominal value of the ordinary shares and not more than 5% above the average of the middle market quotations of the Company's ordinary shares derived from the London Stock Exchange Daily Official List for the five business days before the purchase is made. The authority will continue until the conclusion of next year's Annual General Meeting or 15 months after the date of the passing of resolution 10, whichever is the earlier. The Directors have no present intention of making such purchases, but consider it prudent to have this authority so as to be able to act at short notice if circumstances change. The authority would, however, only be exercised if the Directors believed that to do so would be in the best interests of shareholders generally. Options over an aggregate of 2,129,650 ordinary shares in the Company were outstanding as at 9 September 2005 representing approximately 2.55% of the Company's issued share capital at that date and which would represent approximately 2.83% of the Company's issued share capital if the authority granted at last year's Annual General Meeting to

buy back 8,335,160 ordinary shares were exercised in full (and all of the repurchased shares were cancelled) and approximately 2.83% of the Company's issued share capital if the proposed authority being sought at this year's Annual General Meeting to buy back 8,360,018 ordinary shares was exercised in full.

Resolution 10 on the notice will also permit the Company to purchase its own shares to hold as treasury shares. Since 1 December 2003, when the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the "Regulations") came into force, companies have been able to hold shares acquired by them as treasury shares rather than cancelling them. Pursuant to the Regulations, the treasury shares can subsequently be cancelled, sold for cash or used to satisfy share options granted under employee share option schemes and would therefore provide the Company with additional flexibility in the management of its capital base. As at 9 September 2005, the Company did not hold any of its ordinary shares as treasury shares. The Directors would consider holding as treasury shares any shares which the Company purchases pursuant to the authority proposed to be granted by resolution 10 on the notice. In relation to any repurchased shares held in treasury however, unless such shares are subsequently cancelled, earnings per share will only be increased on a temporary basis until such time as the shares are subsequently sold out of treasury. The resolution complies with the current guidelines issued by the investor protection committees and the Directors will have regard to any guidelines issued by the investor protection committees which may be published at the time of any such purchase, holding or resale of treasury shares.

Going Concern

After reviewing the Group's budget for the year to 30 June 2006 and its medium term plans, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis in preparing these financial statements.

Auditors

On 23 May 2005, PKF transferred their business to PKF (UK) LLP, a limited liability partnership. Under section 26(5) of the Companies Act 1989, the company consented to extend the audit appointment to PKF (UK) LLP from 23 May 2005. Accordingly, the audit report has been signed in the name of PKF (UK) LLP and a resolution for the reappointment of PKF (UK) LLP will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Ahmed Zahedieh

Secretary

15 September 2005

Corporate Governance

The Company is committed to the principles of corporate governance contained in the Combined Code on Corporate Governance issued by the Financial Reporting Council in July 2003 (the "Code") which is appended to the Listing Rules of the Financial Services Authority and for which the Board is accountable to shareholders.

The Directors consider that the Company has complied with the provisions of the Code throughout the year except for provision A.3.3, the requirement to have a senior independent non-executive director other than the Chairman. As the Company is a smaller company the Non-Executive Chairman and the other two Non-Executive Directors sit on each of the Audit, Remuneration and Nomination Committees. Due to the changes made to the Board during the year, the Company has not yet appointed an independent senior Non-Executive Director.

This report, together with the Report on Directors' Remuneration on pages 22 to 25 sets out how the Company has applied the principles of the Code.

1 The Board

The Company is controlled through the Board of Directors which, at 30 June 2005, comprised three Executive and four Non-Executive Directors. Short biographies of each Director are set out on page 2. The Board focuses on formulation of strategy, management of effective business controls and review of business performance. It has a formal schedule of matters specifically reserved to it for decision which it reviews periodically.

The Board meets as often as necessary to discharge its duties effectively. In the financial year ended 30 June 2005 the Board met twelve times and the directors' attendance record is set out at the end of this report.

The Board has three formally constituted committees, the Audit Committee, the Remuneration Committee and the Nomination Committee, each of which operates with defined terms of reference. The Audit Committee met five times during the year and the Remuneration and Nomination Committee each met twice during the year. There is an executive committee known as the Executive Management Board that is responsible for the day to day management of the Company's business within a framework of delegated responsibilities. It is chaired by the Chief Executive and includes executives representing each of the major Divisions.

Chairman and Chief Executive

The roles of the Chairman and that of the Chief Executive are held by separate individuals and the board has clearly defined their responsibilities. The Chairman is primarily responsible for the effective working of the Board, ensuring that each Director,

particularly the Non-Executive Directors, are able to make an effective contribution. The Chief Executive has responsibility for all operational matters which includes the implementation of group strategy and policies approved by the Board.

Board balance and independence

All of the Non-Executive Directors are independent of the Company's executive management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. They each meet the independence criteria set out in the Code.

The terms and conditions of appointment of Non-Executive Directors are available for inspection at the Company's registered office during normal business hours, and at the Annual General Meeting.

No Director has, or had at any time during the year, any interest in a contract with any Group company.

All Directors are equally accountable for the proper stewardship of the Company's affairs, and all Directors, in accordance with the Code, submit themselves for re-election at least once every three years.

Performance evaluation

The Board undertook a formal annual evaluation of its own performance during the year. A questionnaire was devised and approved by the Board. Directors submitted their completed questionnaires to the Chairman who reviewed their responses. These were subsequently discussed in open session. The exercise, which will be undertaken on a regular basis, was viewed positively by the Board.

Audit Committee

The Audit Committee is comprised of all the Non-Executive Directors. The Board is satisfied that Terry Garthwaite, who chairs the Committee, has recent and relevant financial experience.

The main role and responsibilities of the Audit Committee are set out in written terms of reference and are available on the Company's website www.wilmington.co.uk

The Committee reviews the accounting policies and procedures of the Company together with all significant judgements made in the preparation of the half-yearly and annual financial statements before they are submitted to the Board. It also actively monitors the system of internal control.

The Committee has primary responsibility for making recommendations to the Board regarding the appointment, re-appointment and removal of the external auditors which the Board puts to shareholders for approval in general

meeting. It keeps under review the scope and results of the audit, and its cost effectiveness and the independence and objectivity of the auditor. The Committee keeps the nature and extent of non-audit services under review by regularly reviewing the balance of audit to non-audit fees. The auditors provide confirmation of independence on an annual basis.

The Audit Committee also reviews the Register of Risks.

Nomination Committee

The Nomination Committee and the Board seek to maintain an appropriate balance between the Executive and Non-Executive Directors. The Committee is chaired by Mark Asplin and comprises all the Non-Executive Directors and the Chief Executive. It has full responsibility for reviewing the Board structure and for interviewing and nominating candidates to serve on the Board. Suitable candidates, once nominated, meet with the Chairman and the Chief Executive. The candidates are then put forward for consideration and appointment by the Board as a whole. The Committee has access to external professional advice at the Company's expense and during the year took such advice in relation to the appointment of the Company's new Non-Executive Chairman and two new Non-Executive Directors. The terms of reference of the Committee are available on the Company's website www.wilmington.co.uk

2 Directors' Remuneration

Remuneration Committee

The Remuneration Committee, on behalf of the Board, is responsible for recommending to the Board the framework and policy for Executive Directors' remuneration. Given the small size of the Board, the Committee recognises the potential for conflicts of interest, and has taken appropriate measures to minimise the risk. Mark Asplin chairs the Remuneration Committee; the other members are David Summers and Terry Garthwaite. The Committee meets not less than once a year, and takes advice from the Chief Executive as appropriate in carrying out its work. The Board itself determines the remuneration of the Non-Executive Directors. The Committee has the power to seek external advice, and to appoint consultants as and when required in respect of the remuneration of executive directors.

Further details of the Group's policies on remuneration and service contracts can be found in the Report on Directors' Remuneration on pages 22 to 25.

3 Relations with Shareholders

Dialogue with institutional shareholders

The Directors seek to build on a mutual understanding of objectives between the Company and its institutional

shareholders by means of a programme of meetings with major shareholders, fund managers and analysts each year. The Company also makes presentations to analysts and fund managers following publication of its half-year and full-year results.

If requested, the Non-Executive directors are available to attend meetings with major shareholders. The board regularly receive copies of analysts' and brokers' briefings.

Constructive use of the Annual General Meeting

The notice of the Annual General Meeting accompanies this report and accounts. At the Annual General Meeting, after the formal business has been concluded, the Chairman will welcome questions from shareholders. All Directors attend the meeting at which they have the opportunity to meet with shareholders. Details of resolutions to be proposed at the Annual General Meeting on 9 November 2005 can be found in the Notice of the Meeting on page 50 and an explanation of the items of special business can be found in the Directors' Report on pages 17 and 18.

4 Accountability and Audit

The respective responsibilities of the directors and auditors in connection with the financial statements are explained in the Statement of Directors' Responsibilities on pages 15 and 16 and the Independent Auditors' Report set out on page 48.

Internal Control

The Board maintains an ongoing process for identifying, evaluating and managing significant risks faced by the Group. The Board regularly reviews this process, which has been in operation from the start of the year to the date of approval of this report. The Board is responsible for the Group's system of internal control and risk management, and for reviewing the effectiveness of these systems. These systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, but not absolute assurance against material misstatement or loss.

The Board regularly reviews the effectiveness of the Group's systems of internal control and it accords with Turnbull Guidance. The Board's monitoring covers all controls, including financial, operational and compliance controls and risk management. It is based principally on reviewing reports from management to consider whether significant risks are identified, evaluated, managed and controlled and whether any significant weaknesses are promptly remedied and indicate a need for more extensive monitoring.

Further details of specific risks such as interest-rate risk, liquidity risk and foreign-currency risk are given in the Financial Review on pages 13 and 14.

The key features of the internal financial control system that operated throughout the period under review are described under the following headings:

Management Information Systems

There are in place effective planning, budgeting and forecasting systems and a monthly review of actual results compared with budget and the prior year. The annual budget, updated 3 times per year, is reviewed by the Board. Risk assessment and evaluation takes place as an integral part of this process. Performance is monitored against budget through monthly reporting cycles. Monthly reports on performance are provided to the Board, and the Group reports to shareholders twice a year.

Each area of the business carries out risk assessments of its operations, and ensures that the key risks are addressed. The

individual operating companies and the Group have insurance cover where it is considered appropriate. In addition the Board has identified key strategic risks faced by the Group, which have been prioritised.

Organisation

There are well-structured financial and administrative functions at both the Group and operating company level staffed by appropriately qualified staff. The key functions at Group level include: group accounting, corporate planning, group treasury, company secretarial and group taxation.

Internal Audit

The Board has considered the need for an internal audit function, but has concluded that the internal control system is appropriate to the size and complexity of the Group.

Board and committees membership record

The number of scheduled full board meetings and committee meetings attended as a member by each Director during the year was as follows:

	Scheduled Board meetings	Audit Committee meetings	Nomination Committee meetings	Remuneration Committee meetings
Board Meeting				
M Asplin (appointed 6 April 2005)	3 (3)	1 (1)	1 (1)	-
C J Brady (Chief Executive)	12 (12)	-	-	-
R B Brookes	12 (12)	-	-	-
S P Broome (resigned 15 June 2005)	12 (12)	-	-	-
R A Conwell	12 (12)	-	-	-
T Garthwaite (appointed 15 June 2005)	1 (1)	1 (1)	-	-
B N Jolles (resigned 18 January 2005)	7 (7)	3 (3)	-	2 (2)
R W Magee (resigned 15 September 2005)	3 (12)	3 (5)	2 (2)	2 (2)
N J Miller (resigned 7 October 2004)	4 (4)	-	-	-
D L Summers (Chairman)	12 (12)	5 (5)	2 (2)	2 (2)

Figures in brackets indicate maximum number of meetings in the period which the Director was a Board member

D L Summers

Chairman

15 September 2005

Report on Directors' Remuneration

Introduction

This remuneration report sets out the Company's policy on the remuneration of Executive and Non-Executive Directors together with details of Directors' remuneration packages, employment conditions and service contracts.

This report will be put to an advisory vote of the Company's shareholders at the Annual General Meeting on 9 November 2005.

Sections marked (*) are not subject to audit.

Remuneration Committee *

Remuneration policy for Executive Directors and the determination of individual Directors' remuneration packages and employment conditions have been delegated to the Board's Remuneration Committee which consists only of Non-Executive Directors. It also has responsibility for determining the performance criteria included in the Company's share option schemes and granting options.

The Remuneration Committee as at 30 June 2005 and until the date of this report comprised Mark Asplin (Chairman), David Summers, Richard Magee and Terry Garthwaite. David Summers was chairman of the Remuneration committee until 6 April 2005, the date on which Mark Asplin was appointed to the Board. The committee consults with the Chief Executive on proposals relating to Executive Directors and determines the Chief Executive's own remuneration independently and is empowered to seek independent advice.

Remuneration policy *

The Remuneration Committee has established a policy on the remuneration of Executive Directors.

The key principles of this policy are:

- Remuneration is directly aligned with the performance of the Group and the interests of shareholders and is designed to attract, retain and motivate directors of the highest calibre.

- A significant proportion of Executive Directors' remuneration is structured so as to link rewards to performance targets set for areas of the business over which they have either direct personal control or significant indirect influence.
- Their remuneration packages are reviewed annually and are determined by reference to those pertaining in competing firms, responsibilities and time commitment, the performance of the individual and the performance of the Group.

Non-Executive Directors are remunerated by fees taking into account the time commitment and responsibilities of the role. They do not participate in the Company's share option schemes or incentive schemes. Fees are determined by the Executive Directors in consultation with the Company's professional advisers and will be reviewed annually. That process will be carried out wholly independently of the Executive Directors' annual remuneration review.

Directors' service contracts and letters of appointment *

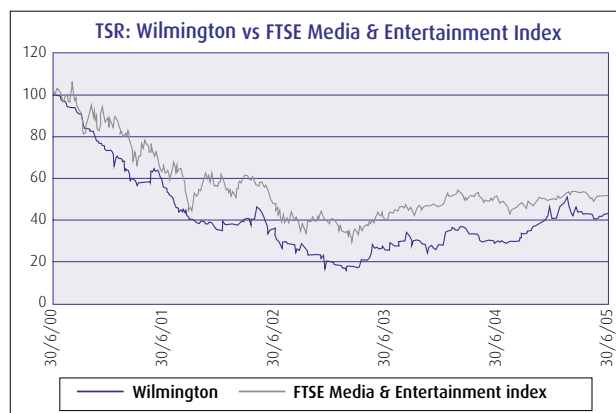
The Company has adopted the following policy on Executive Directors' service contracts:

- 12 months' notice period or less shall apply.
- Termination payments are limited to payment of 12 months' salary and benefits.

Non-Executive Directors have letters of appointment.

Performance graph *

The following graph shows, for the year ended 30 June 2005 and for each of the previous four years, the total shareholder return (calculated in accordance with the Directors' Remuneration Report Regulations 2002) on a holding of the Company's ordinary shares compared with a hypothetical holding of shares of the same kinds and number as those by reference to which the FTSE Media and Photography Index is calculated. This index has been chosen as the appropriate comparator because it is the index within which the Company's shares are quoted.



Service contracts and letters of appointment *

The following table shows details of Directors' service contracts and letters of appointment:

Name	Date of service contract/ letter of appointment	Notice period
Executive		
C J Brady	27 February 2002	12 months
R B Brookes	8 May 2002	12 months
S P Broome	27 February 2002	12 months
R A Conwell	8 May 2002	12 months
N J Miller	8 May 2002	12 months
Non-Executive		
D L Summers ⁽¹⁾	15 February 2005	6 months
R W P Magee	10 February 2000	3 months
M Asplin	6 April 2005	3 months
T Garthwaite	15 June 2005	3 months

⁽¹⁾ D L Summers letter of appointment dated 19 January 2001 had a 3 month notice period. This was updated on D L Summers appointment as chairman of the Company on 18 January 2005.

Notes:

The service contracts of the Executive Directors provide that if an Executive Director ceases to be a Director of the Company by virtue of removal, failure to be re-elected to or retirement without submission to be re-elected from, such office pursuant to the Company's Articles of Association the Company may terminate his employment immediately by making a payment equivalent to the basic salary and the value of non-monetary benefits payable during the notice period under his service contract.

Directors' emoluments and compensation

The remuneration of the directors of the Company for the year ended 30 June 2005 is set out below.

	Salary and fees		Year ended 30 June 2005 £	Bonus Year ended 30 June 2004 £	Allowances and benefits in kind		Year ended 30 June 2005 £	Total Year ended 30 June 2004 £
	Year ended 30 June 2005 £	Year ended 30 June 2004 £			Year ended 30 June 2005 £	Year ended 30 June 2004 £		
C J Brady	225,000	195,000	166,185	64,282	23,796	23,058	414,981	282,340
R B Brookes	168,000	160,000	83,757	38,569	23,866	23,058	275,623	221,627
S P Broome	163,000	160,000	73,357	44,003	22,592	23,487	258,949	227,490
R A Conwell	84,000	80,000	62,042	29,291	16,227	16,523	162,269	125,814
N J Miller	43,010	160,000	-	12,856	6,299	23,058	49,309	195,914
B N Jolles	32,959	66,000	-	-	-	-	32,959	66,000
R W P Magee	20,000	20,000	-	-	13,200	13,200	33,200	33,200
D L Summers	45,834	25,000	-	-	-	-	45,834	25,000
M Asplin	7,076	-	-	-	-	-	7,076	-
T Garthwaite	1,385	-	-	-	-	-	1,385	-
	790,264	866,000	385,341	189,001	105,980	122,384	1,281,585	1,177,385

No pension contributions were made in respect of any Director during the year (2004: Nil). None of the Directors are accruing benefits under defined contribution or benefit schemes (2004: None).

B N Jolles received a termination payment of £60,000 pursuant to a settlement agreement giving him total emoluments as a Director and former Director of £92,959. N J Miller is receiving additional payments of £183,431 pursuant to a Compromise Agreement giving him total emoluments as a Director and former Director of £232,740 and giving total emoluments to Directors and former Directors of £1,525,016.

Report on Directors' Remuneration

continued

Benefits

Benefits for Executive Directors comprise a car allowance and cover for private medical, permanent health and life insurance. Benefits are not pensionable.

Performance related bonuses *

Executive Directors participate in an annual bonus scheme under which cash bonuses may be earned.

Bonuses earned during the year ended 30 June 2005 are shown in the table of Directors' emoluments and compensation.

The bonuses of C J Brady, R B Brookes and R A Conwell were earned by reference to the growth in the Group's profit before taxation and amortisation of goodwill and intangible assets after deducting the interest of minority shareholders in such profits.

The bonus of S P Broome was earned by reference partly to the growth in operating profits (after deducting the interest of minority shareholders) of his respective division and partly by reference to the increase in the Group's profit referred to above.

For the financial year ending 30 June 2006 the bonus scheme will be that all Executive Directors will receive bonuses calculated by reference to the percentage growth in the Group's profit before taxation and amortisation of goodwill and intangible assets after deducting the interest of minority shareholders in such profits.

A bonus cap of 100 per cent. of annual basic salary applies to each Executive Director.

Share options

Details of the options held by directors are shown below.

		At 1 July 2004	Options exercised/ lapsed	Options granted	At 30 June 2005
R B Brookes	Unapproved Scheme	5,000	-	-	5,000
	Approved Scheme	25,000	-	-	25,000

Options have an exercise price of 118.5p and are exercisable during the period from March 2007 to March 2011 provided that the performance targets are met.

At 30 June 2005 the Company's share price was 149p and its highest and lowest share prices during the year ended 30 June 2005 were 182p and 100p respectively.

Directors' interests

The interests of Directors and their immediate families in the issued ordinary share capital of the Company as at 30 June 2005 and the movement in the year are set out below.

Name	Beneficial/ Non-Beneficial	At 1 July 2004 (or date of appointment) Number	Movement in year Number	At 30 June 2005 Number	At 30 June 2005 Percentage
C J Brady	Beneficial	3,382,500	–	3,382,500	4.05
R B Brookes	Beneficial	827,223	–	827,223	0.99
R A Conwell	Beneficial	4,509,356	–	4,509,356	5.39
D L Summers	Beneficial	26,500	–	26,500	0.03
M Asplin	Beneficial	3,390	–	3,390	0.00

Interests at 30 June 2005 are shown as a percentage of shares in issue on that date.

There have been no changes in the Directors' interests between 30 June 2005 and 15 September 2005.

No Director had a material interest in any contract of any significance with the Company or any of its undertakings during the year other than a service contract or, in the case of the Non-Executive Directors, a letter of appointment.

Pensions

Executive Directors may elect to have part of their basic annual salary paid into a personal pension scheme. There are no pension arrangements that the Company has put in place for any Director.

On behalf of the Board

Mark Asplin

Director and Chairman of The Remuneration Committee

15 September 2005

Consolidated Profit and Loss Account

For the year ended 30 June 2005

	Notes	Existing Operations £'000	Acquisitions £'000	Discontinued Operations £'000	Sub- Total £'000	Amortisation and Exceptionals £'000	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Turnover – continuing operations		80,287	409	–	80,696	–	80,696	74,744
– discontinued operations		–	–	4,384	4,384	–	4,384	7,914
Cost of Sales	2 and 3	80,287	409	4,384	85,080	–	85,080	82,658
		(27,346)	(200)	(925)	(28,471)	–	(28,471)	(27,473)
Gross profit		52,941	209	3,459	56,609	–	56,609	55,185
Operating expenses	4	(40,069)	(190)	(3,379)	(43,638)	(7,055)	(50,693)	(49,616)
Operating profit/(loss)								
– continuing operations		12,872	19	–	12,891	(6,913)	5,978	5,920
– discontinued operations		–	–	80	80	(142)	(62)	(351)
	5	12,872	19	80	12,971	(7,055)	5,916	5,569
Non-operating exceptionals								
– discontinued operations	5	–	–	–	–	–	–	251
Profit before interest and taxation		12,872	19	80	12,971	(7,055)	5,916	5,820
Interest receivable and similar income	8						16	15
Interest payable and similar charges	9						(908)	(423)
Profit on ordinary activities before taxation							5,024	5,412
Taxation	10						(3,307)	(2,695)
Profit on ordinary activities after taxation							1,717	2,717
Minority interests							(713)	(658)
Profit for the financial period and attributable to shareholders	11 and 27						1,004	2,059
Dividend paid or proposed	11 and 27						(3,008)	(2,501)
Retained loss for the period							(2,004)	(442)
Earnings per ordinary share	13						1.20p	2.47p
Diluted earnings per ordinary share	13						1.20p	2.46p
Adjusted earnings per ordinary share	13						9.28p	7.73p

With the exception of exchange translation losses of £16,000 (2004: Nil) there are no recognised gains and losses for the year other than those shown in the consolidated profit and loss account.

The accompanying notes are an integral part of these accounts.

Balance Sheets

As at 30 June 2005

	Notes	Group		Company	
		30 June 2005 £'000	30 June 2004 £'000	30 June 2005 £'000	30 June 2004 £'000
Fixed assets					
Goodwill and intangible assets	14	65,728	64,453	-	-
Tangible assets	15	12,291	11,665	1,805	1,883
Investments	16	-	-	42,626	48,552
		78,019	76,118	44,431	50,435
Current assets					
Stock and work in progress	17	1,557	1,874	-	-
Debtors	18	17,803	17,802	39,709	30,460
Cash at bank and in hand		1,841	2,954	-	2,000
		21,201	22,630	39,709	32,460
Creditors: Amounts falling due within one year	19	(31,094)	(31,832)	(9,789)	(11,392)
Net current (liabilities)/assets		(9,893)	(9,202)	29,920	21,068
Total assets less current liabilities		68,126	66,916	74,351	71,503
Creditors: Amounts falling due after more than one year	20	(10,000)	(7,000)	(10,000)	(7,000)
Provision for liabilities and charges	22	(528)	(604)	(45)	(51)
Net assets		57,598	59,312	64,306	64,452
Capital and reserves					
Called-up share capital	23	4,180	4,167	4,180	4,167
Share premium account	25	42,658	42,363	42,658	42,363
Other reserves	26	949	949	-	-
Profit and loss account	27	7,723	9,743	17,468	17,922
Equity Shareholders' funds	28	55,510	57,222	64,306	64,452
Minority interests		2,088	2,090	-	-
		57,598	59,312	64,306	64,452

Approved on behalf of the Board on 15 September 2005

Charles J Brady
Chief Executive

R Basil Brookes
Finance Director

The accompanying notes are an integral part of these accounts.

Consolidated Cash Flow Statement

For the year ended 30 June 2005

	Notes	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Net cash inflow from operating activities	34(a)	14,538	11,969
Returns on investments and servicing of finance			
Interest received		16	15
Interest and similar charges paid		(913)	(545)
Dividends paid to minority shareholders in subsidiary undertakings		(192)	(256)
Net cash outflow		(1,089)	(786)
Taxation			
UK and foreign corporation tax paid		(2,930)	(2,970)
Capital expenditure and financial investment			
Purchase of goodwill and intangible fixed assets	12	(270)	(309)
Purchase of tangible fixed assets	15	(2,667)	(3,854)
Sale of tangible fixed assets		150	223
Net cash outflow		(2,787)	(3,940)
Acquisitions and disposals			
Purchase of subsidiary undertakings and minority interests	12	(8,735)	(12,954)
Purchase of businesses		-	(493)
Settlement of loan notes		(1,000)	-
Sale of subsidiary undertakings		450	-
Sale of businesses		-	44
Net cash outflow		(9,285)	(13,403)
Equity dividends paid		(2,627)	(2,247)
Cash outflow before financing		(4,180)	(11,377)
Financing			
Issue of shares	23	308	225
New borrowings	20	3,000	7,000
Net cash inflow		3,308	7,225
Increase in net debt in the year	34(b)	(872)	(4,152)
Reconciliation of net cash flow to movement in net debt	34(b)		
Increase in net debt in the year		(872)	(4,152)
Cash arising on acquisitions and disposals		214	1,024
New borrowings		(3,000)	(7,000)
Net (debt)/cash brought forward		(4,538)	5,590
Net (debt) carried forward		(8,196)	(4,538)

The accompanying notes are an integral part of these accounts.

Notes to the Accounts

1. Statement of Accounting Policies

The significant accounting policies applied in preparing the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

b) Basis of consolidation

The consolidated financial information combines the financial statements of the Company and its subsidiaries.

Where, on the acquisition of a business, all of the specific criteria set out in Financial Reporting Standard 6 for the combination to fall within the definition of a merger are met, merger accounting has been applied.

In all other instances, acquisition accounting is applied. Fair values are attributed to the Group's share of net assets. Where the cost of acquisition exceeds the fair values attributable to such net assets, the difference is treated as purchased goodwill and is capitalised as part of goodwill and intangible assets (see note 1e)).

Results are consolidated from the date of acquisition of a subsidiary or to the date of disposal of a subsidiary as appropriate.

c) Turnover

Turnover represents the invoiced value of goods sold and services provided during the period, stated net of Value Added Tax. Subscription revenue is allocated to the relevant accounting periods covered by the subscription. Event revenue is recognised in the month that the event takes place.

Advertising revenue is recognised on publication. Subscriptions and fees in advance are carried forward in creditors: amounts falling due within one year.

d) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is not provided on freehold land. On other assets it is provided at the following annual rates, on a straight line basis, in order to write off each asset over its estimated useful life.

Freehold buildings	2 per cent. per annum
Leasehold properties	over the term of the lease to a maximum of 50 years
Leasehold improvements	10 per cent. per annum or over the term of the lease if less than 10 years
Motor vehicles	25 per cent. per annum
Computer equipment	25-33 per cent. per annum
Fixtures and fittings	10-20 per cent. per annum

e) Goodwill and intangible assets

Purchased goodwill and intangible assets are capitalised and amortised through the profit and loss account over their estimated useful lives not exceeding 20 years. They are subject to an annual impairment review using discounted cash flows based on an appropriate weighted average cost of capital.

f) Investments

Fixed asset investments are stated at cost less provision for any impairment in value.

g) Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value. Cost includes materials, direct labour, and overheads appropriate to the relevant stage of production.

Net realisable value is based on estimated selling price less all the further costs to completion and all relevant marketing, selling and distribution costs.

h) Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period. Trading activities are translated into sterling at the rate of exchange ruling at the time of the transaction. Any resultant gain or loss on exchange is shown as part of the period's profit or loss from ordinary activities.

Profits and losses of overseas subsidiary undertakings are translated into sterling at average rates for the year. The balance sheets of overseas subsidiary undertakings are translated at the rate ruling at the balance sheet date. Differences arising from the translation of Group investments in overseas subsidiary undertakings are dealt with through reserves.

i) Taxation

Corporation tax has been provided on profit for the period at appropriate rates.

j) Deferred taxation

Deferred taxation is provided on material timing differences between the incidence of income and expenditure for taxation and accounts purposes using a full provision basis in accordance with the provisions set out in Financial Reporting Standard 19 "Deferred Tax". Deferred taxation is measured on a discounted basis, using an appropriate discount rate, at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates or laws enacted or substantively enacted at the balance sheet date.

Deferred taxation assets are only recognised when they arise from timing differences where their recoverability in the short term is regarded as more likely than not.

k) Financial instruments

In preparing the disclosures included in note 21 to the financial statements concerning financial instruments, the Group has taken advantage of the exemption available in Financial Reporting Standard 13 not to include details in respect of either short term debtors or creditors.

l) Operating leases

Rentals incurred in respect of operating leases are charged to the profit and loss account on a straight line basis.

m) Pension scheme arrangements

The Group operates a defined benefit pension scheme, for a limited number of employees, which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the profit and loss account so as to spread the cost of pensions over the employees' working lives within the Group. The regular cost is attributed to individual years using the projected unit method. Variations in pension cost, which are identified as a result of actuarial valuations, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs. Differences between the amounts funded and the amounts charged in the profit and loss account are treated as either provisions or prepayments in the balance sheet. The fund is actuarially valued every three years.

The Group also contributes to defined contribution pension arrangements for a limited number of other employees. Contributions to these arrangements are charged to the profit and loss account in the period in which they are incurred.

Notes to the Accounts

continued

2. Segmental information

Set out below is the segmental information relating to the business by market sector.

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Turnover:		
Legal and Regulatory	43,228	39,087
Healthcare	10,738	8,833
Media and Entertainment	7,001	6,647
Design and Construction	11,444	11,282
Other	8,285	8,895
Discontinued	4,384	7,914
	<u>85,080</u>	<u>82,658</u>
Profit before taxation:		
	£'000	£'000
Legal and Regulatory	10,918	9,622
Healthcare	1,880	1,246
Media and Entertainment	1,031	947
Design and Construction	233	(165)
Other	254	405
Discontinued	80	(209)
	<u>14,396</u>	<u>11,846</u>
Less: unallocated central overheads	(1,425)	(1,233)
	<u>12,971</u>	<u>10,613</u>
Operating profit before interest, exceptional items and amortisation and impairment		
Less: interest	(892)	(408)
	<u>12,079</u>	<u>10,205</u>
Profit before taxation, amortisation and impairment and exceptional items ("adjusted profit")		
Exceptional items – operating	(917)	(250)
– non-operating	–	251
	<u>11,162</u>	<u>10,206</u>
Profit before amortisation and taxation		
Less: amortisation and impairment– recurring	(5,005)	(4,794)
– non-recurring	(1,133)	–
	<u>5,024</u>	<u>5,412</u>
Profit before taxation		

The amortisation charge is split between Legal and Regulatory – £2,993,000 (2004: £3,124,000), Healthcare – £558,000 (2004: £364,000), Media and Entertainment – £578,000 (2004: £617,000), Design and Construction £488,000 (2004: £385,000), Other £1,379,000 (2004: £162,000) and Discontinued – £142,000 (2004: £142,000).

£13,000 of the Legal and Regulatory amortisation charge and £20,000 of the Healthcare amortisation charge relate to acquisitions made during the year to 30 June 2005.

2. Segmental information (continued)

	30 June 2005 £'000	30 June 2004 £'000
Net assets:		
Legal and Regulatory	40,955	39,148
Healthcare	9,469	8,755
Media and Entertainment	7,884	7,389
Design and Construction	6,094	6,250
Other	3,174	3,469
Discontinued	1,958	3,001
	<u>69,534</u>	<u>68,012</u>
Unallocated central net liabilities	(11,936)	(8,700)
	<u>57,598</u>	<u>59,312</u>

3. Turnover

The geographical analysis of turnover is as follows:

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
United Kingdom	69,408	68,743
Overseas	15,672	13,915
	<u>85,080</u>	<u>82,658</u>

4. Operating expenses

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Distribution and selling costs	21,460	23,183
Administrative expenses	22,178	21,389
Exceptional item – restructuring costs (2004: abortive transaction costs)	917	250
	<u>44,555</u>	<u>44,822</u>
Amortisation and impairment of goodwill and intangible assets	6,138	4,794
	<u>50,693</u>	<u>49,616</u>

Included in operating expenses are £2,147,000 (2004: £3,890,000) of distribution and selling costs and £1,232,000 (2004: £2,264,000) of administrative expenses in respect of discontinued operations. Cost of sales in respect of discontinued operations were £925,000 (2004: £1,969,000). Also included in operating expenses are £32,000 of distribution and selling costs and £158,000 of administrative expenses relating to acquisitions made during the year ended 30 June 2005. Total administration expenses for the year ended 30 June 2005 were £29,233,000 (2004: £26,433,000).

The exceptional item of £917,000 of restructuring costs comprises mainly expenditure related to termination/redundancy payments and also the cost of exiting leasehold premises. A tax credit of £279,000 arises on this exceptional item.

Notes to the Accounts

continued

5. Operating profit and exceptional items

Operating profit is stated after charging/(crediting)

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Depreciation of owned tangible fixed assets (see note 15)	1,794	1,766
Amortisation and impairment of goodwill and intangible assets (see note 14)	6,138	4,794
Loss / (profit) on sale of fixed assets	36	(4)
Rentals under operating leases:		
Machinery	8	16
Other operating leases	316	470
Auditors' remuneration:		
Audit fees	196	166
Other services	35	30
Exceptional items – restructuring costs	917	–
Exceptional items – abortive transaction costs	–	250
	<hr/>	<hr/>
Non-operating exceptional items comprise		
Profit on sale of businesses	–	251
	<hr/>	<hr/>

The fees paid for other services to the auditors relate primarily to work on the Group's tax affairs.

The auditors also received fees totalling £Nil (2004: £17,000) for services provided in respect of the acquisitions made by the Group during the period, which have been capitalised as acquisition costs and also £Nil (2004: £77,000) for services provided in respect of the abortive transactions referred to above.

The Directors considered the auditors to be best placed to provide these services. The Audit Committee reviews the nature and extent of non audit services to ensure that independence is maintained.

6. Staff costs

Employee costs (including Directors) were as follows:

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Wages and salaries	28,352	27,065
Social security costs	3,333	2,962
Pension costs	386	306
	<hr/>	<hr/>
	32,071	30,333
	<hr/>	<hr/>

The average number of employees employed by the Group was as follows:

	Year ended 30 June 2005 Number	Year ended 30 June 2004 Number
Selling and distribution	392	531
Production	178	187
Administration	405	366
	<hr/>	<hr/>
	975	1,084
	<hr/>	<hr/>

7. Directors' remuneration

Full details of the Directors' remuneration packages for the period and share options in the Company are set out in the Report on Directors' Remuneration.

8. Interest receivable and similar income

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Bank interest	<u>16</u>	<u>15</u>

9. Interest payable and similar charges

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
On loans and overdrafts	<u>908</u>	<u>423</u>

10. Taxation

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
The tax charge comprises:		
UK corporation tax at current rates	3,313	2,965
Adjustment to previous years	(17)	(93)
	<u>3,296</u>	<u>2,872</u>
Foreign tax	366	176
Tax on exceptional items	(279)	(279)
	<u>3,383</u>	<u>2,769</u>
Total current tax	3,383	2,769
Deferred tax credit	(76)	(74)
	<u>3,307</u>	<u>2,695</u>

The deferred tax credit has been discounted by £34,000 (2004: £38,000)

Factors affecting the tax charge for the year:

The tax charge for the year is greater than the standard rate of corporation tax in the UK of 30%. The differences are explained below:

Reconciliation of tax charge:		
Profit on ordinary activities before tax	<u>5,024</u>	<u>5,412</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the year of 30% (2004: 30%)	1,507	1,624
Effect of:		
Goodwill and intangible asset amortisation and impairment not deductible for tax purposes	1,751	1,373
Other expenses not deductible for tax purposes	63	81
Capital allowances for the year less than/(in excess of) depreciation	40	(37)
Gain on sale of business not taxable	-	(204)
Foreign tax rate differences	39	25
Adjustment to tax charge in respect of previous years	(17)	(93)
Current tax charge for year	<u>3,383</u>	<u>2,769</u>

The tax charge in future years will continue to be greater than the standard rate of corporation tax in the UK of 30% due to the goodwill and intangible asset amortisation and impairment not deductible for tax purposes.

Notes to the Accounts

continued

11. Results of Wilmington Group plc

Of the results for the year, a profit of £2,554,000 (2004: £4,587,000) is dealt with in the financial statements of the holding company. Pursuant to Section 230 of the Companies Act 1985 the Company's own profit and loss account is not included in these financial statements.

An interim dividend of 1.15p (2004: 1.0p) per ordinary share was paid on 8 April 2005. A final dividend of 2.45p is proposed (2004: 2.0p), making a total dividend for the year of 3.60p (2004: 3.0p). The amounts of these dividends are as follows:

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Interim	960	834
Final	2,048	1,667
	<u>3,008</u>	<u>2,501</u>

12. Acquisitions and Disposals

Subsidiaries acquired

In May 2005 a wholly owned subsidiary of the Company acquired 100 per cent. of Quorum Training Limited.

Assets and liabilities of subsidiary undertaking acquired:

	Book value £'000	Fair value Adjustments £'000	Fair value £'000
Tangible fixed assets	86	(59)	27
Debtors	453	(151)	302
Cash	214	-	214
Creditors due within one year	(574)	-	(574)
Deferred tax	(10)	10	-
Goodwill and intangible assets	-	-	-
	<u>169</u>	<u>(200)</u>	<u>(31)</u>
Goodwill arising on consolidation			<u>1,610</u>
Consideration			<u>1,579</u>
Satisfied by cash			<u>1,579</u>

Fair value adjustments have been made to reflect the Group's accounting policies for depreciation of tangible fixed assets, deferred tax and the writing off of marketing expenditure as incurred.

Quorum Training Limited made a profit after taxation in the twelve months prior to acquisition of £63,000 on turnover of £1,794,000.

Other acquisitions

During the year the company acquired an additional title, Institute of Healthcare Management Yearbook, for a total cash consideration of £235,000 plus associated costs.

The Group also paid in April 2005 deferred consideration of £3,884,000 in respect of the acquisition of Bond Solon Training Limited referred to in note 19 to these accounts.

Minority interests acquired

During the year the Company indirectly acquired the remaining 25 per cent. of Polygon Media Limited for a total cash consideration of £1,442,000 giving rise to an increase in goodwill and intangible assets of £1,334,000. During the year the Company also indirectly acquired the remaining 25 per cent. of Redpoint Marketing Limited for a total cash consideration of £804,000 giving rise to an increase in goodwill and intangible assets of £679,000. During the year the Company also indirectly acquired the remaining 45 per cent. of International Compliance Training Limited for a total cash consideration of £993,000 giving rise to an increase in goodwill and intangible assets of £942,000. Since the year end the Company indirectly completed the acquisition of the remaining 25 per cent. of Bond Solon Training Limited for a total cash consideration of £2,500,000 giving rise to an increase in goodwill and intangible assets of £2,467,000. This consideration was paid in July 2005 and is included in Creditors; amounts falling due within one year in these accounts.

Disposals

In January 2005 the Company sold its interest in Abacus Software Limited for a total consideration of £760,000. The net profit arising on this disposal has not been treated as a non-operating exceptional item as the gain involved is not material to the Group's results.

13. Earnings per ordinary share

	Year ended 30 June 2005	Year ended 30 June 2004
The calculation of earnings per ordinary share is based on profit after taxation and minority interests of	£1,004,000	£2,059,000
and an adjusted profit being profit after taxation and minority interests of and after adding back	1,004,000	2,059,000
amortisation and impairment of goodwill and intangible assets (net of minority interest effect)	6,097,000	4,660,000
exceptional items after tax	638,000	(280,000)
Adjusted profit	£7,739,000	£6,439,000
and on the average number of ordinary shares in issue during the year of	83,394,158	83,292,467
and, after adjusting for 387,373 outstanding share options (2004: 274,502), on the diluted average number of ordinary shares during the year of	83,781,531	83,566,969
Earnings per ordinary share	1.20p	2.47p
Diluted earnings per ordinary share	1.20p	2.46p
Adjusted earnings per ordinary share	9.28p	7.73p

To allow shareholders to gain a better understanding of the trading performance of the Group, an adjusted earnings per ordinary share has been calculated using an adjusted profit after taxation and minority interests but before amortisation and impairment of goodwill and intangible assets and post taxation exceptional items of £7,739,000 (2004: £6,439,000).

14. Goodwill and intangible assets

	Goodwill £'000	Intangible assets £'000	Group Total £'000
Cost			
At 1 July 2004	44,388	44,082	88,470
Additions and acquisitions	5,099	2,314	7,413
Disposals	-	(137)	(137)
At 30 June 2005	49,487	46,259	95,746
Amortisation and impairment			
At 1 July 2004	9,707	14,310	24,017
Charge for year - amortisation	2,367	2,638	5,005
- impairment	-	1,133	1,133
Disposals	-	(137)	(137)
At 30 June 2005	12,074	17,944	30,018
Net book value			
At 30 June 2005	37,413	28,315	65,728
At 30 June 2004	34,681	29,772	64,453

Publishing rights, titles and databases are recorded at cost. Goodwill arising on acquisitions is also capitalised as an intangible asset. Goodwill and intangible assets are amortised over their estimated lives not exceeding 20 years. An annual impairment test has been carried out using projected cash flows discounted at a weighted average cost of capital of 10 per cent.

Notes to the Accounts

continued

15. Tangible assets

Group	Freehold property £'000	Long leasehold property £'000	Short leasehold property £'000	Fixtures and fittings £'000	Computer Equipment £'000	Motor vehicles £'000	Total £'000
Cost							
At 1 July 2004	5,215	3,588	750	3,132	5,896	625	19,206
Additions	713	-	49	914	833	216	2,725
Acquisitions	-	-	9	18	-	-	27
Disposals	-	-	(157)	(578)	(915)	(420)	(2,070)
At 30 June 2005	5,928	3,588	651	3,486	5,814	421	19,888
Depreciation							
At 1 July 2004	263	755	258	1,547	4,449	269	7,541
Charge for year	92	146	55	545	823	133	1,794
Disposals	-	-	(103)	(494)	(819)	(322)	(1,738)
At 30 June 2005	355	901	210	1,598	4,453	80	7,597
Net book value							
At 30 June 2005	5,573	2,687	441	1,888	1,361	341	12,291
At 30 June 2004	4,952	2,833	492	1,585	1,447	356	11,665

Included in freehold property is £1,210,000 (2004: 1,210,000) of non-depreciated land.

Company	Long leasehold property £'000	Short leasehold property £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost					
At 1 July 2004	2,453	28	28	204	2,713
Additions	-	3	3	80	86
At 30 June 2005	2,453	31	31	284	2,799
Depreciation					
At 1 July 2004	649	2	4	175	830
Charge for year	119	3	6	36	164
At 30 June 2005	768	5	10	211	994
Net book value					
At 30 June 2005	1,685	26	21	73	1,805
At 30 June 2004	1,804	26	24	29	1,883

16. Investments

	Company Shares in subsidiary undertakings £'000
Cost at 1 July 2004	48,552
Additions	38
Disposals	(554)
Provisions against investments	(5,410)
At 30 June 2005	42,626

At 30 June 2005 the principal subsidiary undertakings listed below were all owned by the Company. All have ordinary share capital. Except where indicated, all of the principal subsidiary undertakings were incorporated in and principally operated in Great Britain. Subsidiary undertakings marked (*) are indirectly owned.

Name of company	Business	Percentage owned
Wilmington Business Information Limited	Provision of reference information	100
Waterlow Legal and Regulatory Limited	Provision of reference information	100
New Entertainment Data Limited*	Provision of reference information	50
Caritas Data Limited*	Provision of reference information	100
Hollis Directories Limited*	Holding Company	76
Hollis Publishing Limited*	Provision of reference information	76
Corporate Event Publishing Limited*	Provision of reference information	76
Beechwood House Publishing Limited*	Provision of reference information	75
Showcase Publications Limited*	Provision of reference information	76
TMSS Limited*	Provision of reference information	100
Pendragon Professional Information Limited*	Provision of reference information	83
Agence de Presse Medicale International SAS* (incorporated and operates in France)	News information services	100
APM Media SARL* (incorporated and operates in France)	News information services	100
Wilmington Media Limited	Publication of trade and technical journals	100
ETP Limited*	Publication of trade and technical journals	100
Office Solutions Media Limited*	Publication of trade and technical journals	75
WDIS Limited*	Database management and publishing support services	100
Dewberry Redpoint Limited	Publication of trade and technical journals	100
Polygon Media Limited*	Publication of trade and technical journals	100
Redpoint Marketing Limited*	Database and direct marketing	100
Central Law Group Limited	Holding company	100
Central Law Training Limited*	Post qualification training and legal conferences	100
Central Law Training (Scotland) Limited*	Post qualification training and legal conferences	80
Bond Solon Training Limited*	Witness training and conferences	100
Quorum Training Limited*	Financial training courses	100
International Compliance Training Limited*	Training courses in International Compliance and money laundering	100
La Touche Bond Solon Limited* (incorporated and operates in Ireland)	Witness and post qualification legal training	80

Wilmington Business Information Limited owns 76 per cent. of Hollis Directories Limited and 75 per cent. of Beechwood House Publishing Limited, 82.55 per cent of Pendragon Professional Information Limited and 50.001 per cent. of New Entertainment Data Limited. Hollis Directories Limited owns 100 per cent. of Hollis Publishing Limited. Hollis Publishing Limited owns 100 per cent. of Showcase Publications Limited and Corporate Event Publishing Limited. Wilmington Media Limited owns 75 per cent. of Office Solutions Media Limited. Central Law Training Limited owns 80 per cent. of Central Law Training (Scotland) Limited.

Bond Solon Training Limited had a non-coterminous year end of 28 February 2005 due to share option agreements.

Notes to the Accounts

continued

17. Stock and work in progress

	Group	
	30 June 2005 £'000	30 June 2004 £'000
Raw materials	116	163
Work in progress	1,416	1,650
Books held for sale	25	61
	<u>1,557</u>	<u>1,874</u>

18. Debtors

	Group		Company	
	30 June 2005 £'000	30 June 2004 £'000	30 June 2005 £'000	30 June 2004 £'000
Trade debtors	14,929	14,512	-	-
Other debtors	737	1,179	36	13
Amounts due from subsidiary undertakings	-	-	34,642	25,142
Dividends receivable from subsidiary undertakings	-	-	4,800	5,080
Prepayments and accrued income	2,137	2,111	231	225
	<u>17,803</u>	<u>17,802</u>	<u>39,709</u>	<u>30,460</u>

Included in Group other debtors is £nil (2004: £507,000) due in more than one year.

Amounts due from subsidiary undertakings include £2,333,000 (2004: £2,333,000) of loan stock which bears interest at 1.50 per cent. above Barclays Bank Base Rate. The loan has no fixed date of repayment. They also include £7,480,000 (2004: £7,480,000) which is an interest free loan repayable in more than one year.

19. Creditors: amounts falling due within one year

	Group		Company	
	30 June 2005 £'000	30 June 2004 £'000	30 June 2005 £'000	30 June 2004 £'000
Bank overdrafts	37	492	2,745	5,204
Loan notes	-	1,000	-	-
Trade creditors	5,427	4,661	-	-
Corporation tax payable	1,501	1,028	-	-
Other creditors	3,724	305	58	50
Other taxes and social security	2,373	1,928	-	-
Subscriptions and fees in advance	8,809	9,399	-	-
Accruals	6,812	7,389	491	634
Amounts due to subsidiary undertakings	-	-	4,447	3,837
Dividends payable	2,411	1,746	2,048	1,667
Deferred consideration	-	3,884	-	-
	<u>31,094</u>	<u>31,832</u>	<u>9,789</u>	<u>11,392</u>

The bank overdrafts, which are the subject of a Group set off arrangement, are secured by a fixed and floating charge over certain of the Group's assets. Interest is charged on the overdraft at 1 per cent. above Barclays Bank Base Rate.

The loan notes were issued in connection with the acquisition of subsidiary undertakings. These loan notes bear interest at Barclays Bank base rate and were repaid in July 2004.

The deferred consideration represented cash consideration due in respect of the original acquisition of the 75 per cent. interest in Bond Solon Training Limited which was paid in April 2005.

20. Creditors: amounts falling due after more than one year

	Group		Company	
	30 June 2005 £'000	30 June 2004 £'000	30 June 2005 £'000	30 June 2004 £'000
Bank loan	<u>10,000</u>	<u>7,000</u>	<u>10,000</u>	<u>7,000</u>

The Group has a committed revolving credit facility of £25 million (2004: £25 million) to September 2008 of which £10 million was drawn down at 30 June 2005 (2004: £7 million). Interest is charged on the amount drawn down at 1 per cent. above LIBOR. Under the facility, draw down is made for interest fixture periods of up to six months in duration. The amount drawn down at 30 June 2005 matured on 8 September 2005.

The bank loan is secured by the same fixed and floating charge as the bank overdrafts (see note 19).

21. Financial instruments

The Group's financial instruments comprise principally bank borrowings, cash and various other items that arise directly from its trading operations such as trade debtors, trade creditors and subscriptions and fees in advance. The main purpose of these financial instruments is to ensure that finance is available for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies are unchanged from the previous year.

a) Interest rate risk

The Group finances its operations through a mixture of retained profits and bank borrowings. The Group has expanded rapidly its operations both organically and by acquisition. This expansion has led on occasions to the need for external finance. The Board has chosen a credit facility with a floating rate of interest linked to LIBOR and has agreed to hedge its interest exposure on approximately two thirds of the amounts borrowed under the revolving credit facility agreement with its bankers subject to a £10 million minimum.

The Group had net borrowings at 30 June 2005 of £8,196,000 (30 June 2004: £4,538,000) and had a committed bank facility of £25 million (30 June 2004: £25 million) of which £10 million was drawn down at 30 June 2005 (30 June 2004: £7 million).

b) Liquidity risk

The Group's policy throughout the period has been to ensure continuity of funding by the use of a £10 million overdraft facility and a £25 million committed revolving credit facility.

c) Foreign currency risk

The Group has a substantial customer base overseas. Certain overseas customers are invoiced in US dollars and Euros which provides a stable currency base. The Group maintains bank accounts in foreign currency and converts this currency to sterling at the appropriate times hence, minimising the exposure to exchange fluctuations.

Notes to the Accounts

continued

21. Financial instruments (continued)

d) Financial rate risk profile of financial assets and financial liabilities

i. Financial assets

The only financial asset held by the Group other than short term debtors is its cash balance. The balance is held in short term interest bearing accounts.

ii. Financial liabilities

Except as disclosed below, the only financial liabilities of the Group at the balance sheet date were floating rate and are shown below at their book values (which equate to their fair values) along with their maturity dates:

	30 June 2005 £'000	30 June 2004 £'000
In one year or less, or on demand of which £Nil is non interest bearing (2004: £3,884,000)	37	5,376
In more than one year but not more than two years	-	-
In more than two years but not more than five years	10,000	7,000
	<u>10,037</u>	<u>12,376</u>

e) Currency exposures

At the balance sheet date the net monetary assets of the Group denominated in foreign currencies translated into sterling totalled £1,174,000 (2004: £806,000). This balance consisted principally of cash and debtor balances in US dollars and Euros.

The above disclosures highlight how the Group has structured its financial liabilities in order to provide both adequate and flexible financing.

22. Provisions for liabilities and charges

The Group liability for deferred taxation is as follows:

	Group		Company	
	30 June 2005 £'000	30 June 2004 £'000	30 June 2005 £'000	30 June 2004 £'000
Accelerated capital allowances	682	792	45	55
Tax losses carried forward	-	-	-	-
Undiscounted liability carried forward	682	792	45	55
Discount	(154)	(188)	-	(4)
Discounted provision for deferred tax	<u>528</u>	<u>604</u>	<u>45</u>	<u>51</u>
Provision at 1 July 2004		604		678
Deferred tax credit in profit and loss account for year		(76)		(74)
Provision at 30 June 2005		<u>528</u>		<u>604</u>

One of the Group's subsidiaries has a potential deferred tax asset of approximately £540,000 in respect of capital allowances. The asset has not been recognised in these accounts due to uncertainty over the timing and use of these allowances.

23. Called-up share capital

	Group and Company	
	30 June	30 June
	2005	2004
	£'000	£'000
<i>Authorised</i> 110,000,000 (2004: 110,000,000) ordinary shares of 5p each	5,500	5,500
<i>Allotted, called-up and fully paid ordinary shares</i> of 5p each 83,600,179 (2004: 83,351,679)	4,180	4,167

During the year 248,500 ordinary shares with a nominal value of £12,425 were issued for a cash consideration of £307,570 in respect of Share Option Schemes.

24. Share options

Details of Directors' share options are set out in the Report on Directors' Remuneration. Other employees of the Group hold options to subscribe for ordinary shares as follows:

a) Under the Wilmington Group plc 1995 Unapproved Share Option Scheme

Year of grant	Subscription Price per share	Period within which options exercisable	Number of shares for which options outstanding at 30 June 2005
1999	285p	Nov 2002-Nov 2006	143,000
2000	384.5p	Jun 2003-Jun 2007	168,800
2001	217.5p	Jun 2004-Jun 2008	147,830
2001	146.5p	Nov 2004-Nov 2008	100,000
2003	61.5p	Mar 2006-Mar 2010	370,000
2004	118.5p	Mar 2007-Mar 2011	301,000

b) Under the Wilmington Group plc 1999 Approved Share Option Scheme

Year of grant	Subscription Price per share	Period within which options exercisable	Number of shares for which options outstanding at 30 June 2005
1999	285p	Nov 2002-Nov 2006	183,000
2000	384.5p	Jun 2003-Jun 2007	72,000
2000	316.5p	Nov 2003-Nov 2007	75,250
2001	217.5p	Jun 2004-Jun 2008	91,170
2002	170p	May 2005-May 2009	17,600
2003	61.5p	Mar 2006-Mar 2010	221,000
2004	118.5p	Mar 2007-Mar 2011	239,000

Notes to the Accounts

continued

25. Share premium account

	Group and Company £'000
Balance at 1 July 2004	42,363
Issue of shares under Share Option Schemes	295
	<hr/>
Balance at 30 June 2005	42,658

26. Other reserves

	Group £'000
Balance at 1 July 2004 and 30 June 2005	949

27. Profit and loss account

	Group		Company	
	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Opening balance	9,743	10,185	17,922	15,836
Profit for the year	1,004	2,059	2,554	4,587
Dividends	(3,008)	(2,501)	(3,008)	(2,501)
Exchange translation differences	(16)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Closing Balance	7,723	9,743	17,468	17,922

28. Reconciliation of movements in equity shareholders' funds

	Group		Company	
	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Profit for the year	1,004	2,059	2,554	4,587
Dividends	(3,008)	(2,501)	(3,008)	(2,501)
Exchange translation differences	(16)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Issue of shares	(2,020)	(442)	(454)	2,086
Opening shareholders' funds	308	225	308	225
	<hr/>	<hr/>	<hr/>	<hr/>
Opening shareholders' funds	57,222	57,439	64,452	62,141
	<hr/>	<hr/>	<hr/>	<hr/>
Closing shareholders' funds	55,510	57,222	64,306	64,452
	<hr/>	<hr/>	<hr/>	<hr/>
Attributable to equity interests	55,510	57,222	64,306	64,452

29. Contingent liabilities

Group

The Group has entered into an agreement with the minority shareholders of one of its subsidiary companies whereby those shareholders have the right to sell to the Group their shares at prices determined by formulae based on the subsidiaries' profitability. These amounts are capped at an aggregate of £4.5m payable between 2005 and 2014, although based on current levels of profitability the Directors estimate that the amounts payable would amount to an aggregate of £2.0m.

In respect of a further subsidiary an uncapped amount is payable in 2007, which in the opinion of the Directors, based on current levels of profitability, will not exceed £0.5m.

Company

The Company has entered into an unlimited cross guarantee with the Group's bankers in respect of the net £10 million overdraft facilities extended to certain of the Company's subsidiaries. At 30 June 2005 the Company's gross contingent liability in respect of this facility was £4,670,000 (2004: £1,041,000).

30. Commitments

- a) The Group had capital commitments at 30 June 2005 contracted but not provided for of £580,000 (2004: £141,000).
- b) Annual commitments payable under non-cancellable operating leases were as follows:

	Property		Other operating leases	
	30 June 2005 £'000	30 June 2004 £'000	30 June 2005 £'000	30 June 2004 £'000
One year	95	277	-	-
Between two and five years	243	282	8	5
After five years	-	6	-	-
	<u>338</u>	<u>565</u>	<u>8</u>	<u>5</u>

- c) Not included in note 29 above, minority shareholders in two of the Group's subsidiaries have exercised their put options and as a result the Group will be purchasing their remaining interests after the year end. The amount payable is expected to be in the region of £2.5 million.

31. Post balance sheet event

On 13 September 2005 the Group completed the disposal of a portfolio of assets servicing the drinks market for a cash consideration of £2.2 million. The results of this business for the year to 30 June 2005 are shown as 'discontinued'. The remainder of what was the Drinks and Catering division is now included in the segmental analysis under the category 'other'.

32. Related party transactions

The Company and its wholly owned subsidiaries offer certain group-wide purchasing facilities to the Company's other subsidiaries whereby the actual costs are recharged. The Company has taken advantage of the exemption permitted by Financial Reporting Standard 8 not to disclose transactions with 90 per cent. or more owned subsidiaries. However, the following transactions occurred with less than 90 per cent. owned subsidiaries during the period:

Provision of finance by less than 90 per cent. owned subsidiaries at commercial rates of interest	£73,000 (2004: £194,000)
Circulation management services provided by WDIS Limited	£28,000 (2004: £88,000)

Notes to the Accounts

continued

33. Pension and similar arrangements

SSAP 24 disclosures

The Group operates a defined benefit pension scheme for a limited number of members, the Wilmington Media Limited Pension Scheme. Total membership of the Scheme at 30 June 2005 was 45. The benefits under the Scheme accrue from 6 March 1992 and are based on final salary. The Scheme is funded by payment of contributions to a separately administered trust fund.

The pension costs are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method. The results of the most recent valuations, which were conducted as at 31 March 2004, are as follows:

Main assumptions:

	Per cent. per annum
Rate of return on investments	7.5
Rate of increase in salaries	4.5
Rate of increase in pensions in payment	3.0
	<hr/>
	£'000
Market value of Scheme's assets	1,658
	<hr/>
Level of funding being the actuarial value of assets expressed as a percentage of the benefits accrued to members, after allowing for future salary increases	115 per cent.
	<hr/>

The actuary confirmed that the increased contribution rate of 18.6 per cent. (2004: 13.3 per cent.) currently being paid by the Group was sufficient to meet the cost of the benefits expected to arise in respect of future service.

There were no variations from the regular cost to be allocated over the average remaining working lives of the current employees.

FRS 17 disclosures

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation at 31 March 2004 and updated by the same qualified independent actuaries to take account of the requirements of FRS 17 in order to assess the liabilities of the Scheme at 30 June 2005. Scheme assets are stated at their market value at 30 June 2005.

Main assumptions:

	30 June 2005 per cent. per annum	30 June 2004 per cent. per annum	30 June 2003 per cent. per annum
Rate of increase in salaries	3.8	4.2	3.9
Rate of increase to pensions in payment	2.6	3.0	2.5
Discount rate	5.2	5.7	5.4
Inflation assumption	2.6	3.0	2.5

33. Pension and similar arrangements (continued)

The assets and liabilities of the Scheme and the expected rates of return were:

	30 June 2005		30 June 2004		30 June 2003	
	Long term rate of return expected per cent.	Value £'000	Long term rate of return expected per cent.	Value £'000	Long term rate of return expected per cent.	Value £'000
Equities	7.5	1,762	7.5	1,459	7.5	1,202
Bonds	5.0	118	5.3	120	5.9	179
Cash and other assets	4.5	153	4.0	94	4.0	40
Total market value of assets		2,033		1,673		1,421
Present value of Scheme liabilities		(2,411)		(2,151)		(2,194)
Pension liability before deferred tax		(378)		(478)		(773)
Related deferred tax asset		113		143		232
Net pension liability		(265)		(335)		(541)

Reconciliation of net assets and reserves under FRS 17

Group net assets

	30 June 2005 £'000	30 June 2004 £'000
Net assets as stated in balance sheet	57,598	59,312
SSAP 24 balance	-	-
Net assets excluding defined benefit assets/liabilities	57,598	59,312
FRS 17 pension liability	(265)	(335)
Net assets including defined benefit liabilities	57,333	58,977

Group reserves

	30 June 2005 £'000	30 June 2004 £'000
Profit and loss reserve as stated in balance sheet	7,723	9,743
SSAP 24 balance	-	-
Profit and loss reserve excluding defined benefit liabilities	7,723	9,743
FRS 17 pension liability	(265)	(335)
Profit and loss reserve including defined benefit liabilities	7,458	9,408

Notes to the Accounts

continued

33. Pension and similar arrangements (continued)

Had FRS 17 been fully implemented, an adjustment of £98,000 (2004: £89,000) would have been shown as a charge against the profit and loss account for current service cost and £4,000 (2004: £16,000) would have been shown as a charge in the profit and loss account as other finance costs, being the net of £120,000 (2004: £105,000) expected return on assets less £124,000 (2004: £121,000) interest on liabilities.

Actuarial gain recognised in statement of total recognised gains and losses ("STRGL").

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Actuarial return less the expected return on assets	166	62
Experience gains and losses on liabilities	-	402
Loss due to changes in assumptions	(46)	(153)
	<hr/>	<hr/>
Actuarial gain recognised in STRGL	120	311

Movement in deficit during the year.

The movement in the deficit during the year to 30 June 2005 would have been as follows:

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Deficit at 1 July 2004	(478)	(773)
Current service cost	(98)	(89)
Employer contributions	82	89
Other finance costs	(4)	(16)
Actuarial gain recognised in STRGL	120	311
	<hr/>	<hr/>
Deficit at 30 June 2005	(378)	(478)

History of experience gains and losses

	Year ended 30 June 2005	Year ended 30 June 2004	Year ended 30 June 2003	Sixteen months ended 30 June 2002
Difference between the expected and actual return on Scheme assets				
Amount (£'000)	166	62	(181)	(419)
Per cent. of Scheme assets	8.2%	3.7%	(12.7)%	(29.7)%
Experience gains on Scheme liabilities				
Amount (£'000)	-	402	125	(15)
Per cent. of the present value of Scheme liabilities	0.0%	18.7%	5.7%	(0.8)%
Total amount recognised in STRGL				
Amount (£'000)	120	311	(322)	(434)
Per cent. of the present value of Scheme liabilities	5.0%	14.5%	(14.7)%	(23.5)%

Defined contribution scheme

The Group contributes to a defined contribution pension scheme. Total contributions to the scheme during the year were £274,000 (2004: £217,000).

34. Notes to the consolidated cash flow statement

(a) Reconciliation of operating profit to net cash inflow from operating activities:

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Operating profit	5,916	5,569
Depreciation of tangible fixed assets	1,794	1,766
Amortisation and impairment of goodwill and intangible fixed assets	6,138	4,794
Profit/(loss) on sale of tangible fixed assets	36	(4)
Exchange translation differences	(16)	-
Decrease in stock and work in progress	251	136
(Increase)/decrease in debtors	(189)	372
Decrease/(increase) in creditors	608	(664)
	<hr/>	<hr/>
Net cash inflow from operating activities	14,538	11,969

Included above is a net cash inflow of £136,000 in respect of the operating activities of the Group's acquisitions. Acquisitions also accounted for £Nil of the tax paid by the Group in the twelve months to 30 June 2005.

Included above is a net cash outflow of £35,000 in respect of operating activities of the Group's disposal of Abacus Software Limited. This disposal also accounts for £Nil of the tax paid by the Group in the twelve months to 30 June 2005.

No figures can be disclosed for the other discontinued operations as they are not separately identifiable.

(b) Analysis of movement in net cash/(debt)

	At 1 July 2004 £'000	Cash flow £'000	Arising on acquisitions and disposals £'000	At 30 June 2005 £'000
Cash at bank and in hand	2,954	(1,327)	214	1,841
Bank overdraft	(492)	455	-	(37)
	<hr/>	<hr/>	<hr/>	<hr/>
Bank loan	2,462	(872)	214	1,804
	(7,000)	(3,000)	-	(10,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	(4,538)	(3,872)	214	(8,196)

Independent Auditors' Report

Independent Auditors' report to the members of Wilmington Group plc

We have audited the financial statements of Wilmington Group plc for the year ended 30 June 2005 which comprise the Profit and Loss Account, the Balance Sheets, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein. We have also audited the information in the Report on Directors' Remuneration that is described as having been audited.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report, the Report on Directors' Remuneration and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements and the part of the Report on Directors' Remuneration to be audited in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Report on Directors' Remuneration to be audited have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law or the Listing Rules regarding Directors' remuneration and transactions with the Company and other members of the Group is not disclosed.

We review whether the Corporate Governance statement reflects the Company's compliance with the nine provisions of the 2003 FRC Code specified for our review by the Listing Rules of the Financial Services Authority, and we report if it does not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, the unaudited part of the Report on Directors' Remuneration, the Chairman's Statement, the Chief Executive's Operational Review, the Financial Review, the Corporate Governance statement and the Five Year Financial Summary. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements and the part of the Report on Directors' Remuneration to be audited. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements and the part of the Report on Directors' Remuneration to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Report on Directors' Remuneration to be audited.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and Company's affairs as at 30 June 2005 and of the Group's profit for the year then ended, and
- the financial statements and the part of the Report on Directors' Remuneration to be audited have been properly prepared in accordance with the Companies Act 1985.

PKF (UK) LLP
Registered Auditors
London, UK

15 September 2005

Pro-forma Five Year Financial Summary

Year ended 30 June

	2001 £'m	2002 £'m	2003 £'m	2004 £'m	2005 £'m
Consolidated Profit and Loss Accounts					
Turnover	75.3	78.6	78.4	82.7	85.1
Cost of Sales	(26.1)	(26.9)	(26.3)	(27.5)	(28.5)
Gross profit	49.2	51.7	52.1	55.2	56.6
Operating expenses	(37.7)	(41.5)	(42.7)	(44.6)	(43.6)
Operating profit before amortisation and impairment of goodwill and intangible assets and exceptional items	11.5	10.2	9.4	10.6	13.0
Operating exceptional item	-	-	-	(0.2)	(0.9)
Operating profit before amortisation and impairment of goodwill and intangible assets	11.5	10.2	9.4	10.4	12.1
Amortisation and impairment of goodwill and intangible assets	(3.1)	(6.4)	(4.5)	(4.8)	(6.2)
Operating profit	8.4	3.8	4.9	5.6	5.9
Non-operating exceptional items	-	-	(0.2)	0.2	-
Profit before interest and taxation	8.4	3.8	4.7	5.8	5.9
Net interest payable	(0.1)	(0.3)	(0.3)	(0.4)	(0.9)
Profit on ordinary activities before taxation	8.3	3.5	4.4	5.4	5.0
Taxation	(3.3)	(2.9)	(2.6)	(2.7)	(3.3)
Profit on ordinary activities after taxation	5.0	0.6	1.8	2.7	1.7
Minority interests	(0.8)	(0.7)	(0.7)	(0.6)	(0.7)
Profit/(loss) for the financial year attributable to shareholders	4.2	(0.1)	1.1	2.1	1.0
Dividends	(2.0)	(2.4)	(2.1)	(2.5)	(3.0)
Retained profit/(loss) for the year	2.2	(2.5)	(1.0)	(0.4)	(2.0)
Earnings per ordinary share (pence)	5.17	(0.06)	1.32	2.47	1.20
Diluted earnings per ordinary share (pence)	5.12	(0.06)	1.32	2.46	1.20
Adjusted earnings per ordinary share (pence)	8.92	7.68	6.65	7.73	9.28
Consolidated Balance Sheets					
Goodwill and intangible fixed assets	54.1	64.4	62.4	64.4	65.7
Tangible fixed assets	11.6	10.6	9.8	11.7	12.3
Net current liabilities	(2.9)	(2.9)	(7.8)	(9.2)	(9.9)
Creditors due after one year	(2.1)	(11.9)	(4.9)	(7.0)	(10.0)
Provision for liabilities and charges	(0.9)	(0.8)	(0.7)	(0.6)	(0.5)
Net assets	59.8	59.4	58.8	59.3	57.6
Called-up share capital	4.1	4.2	4.2	4.2	4.2
Share premium account	39.9	42.1	42.1	42.4	42.7
Other reserves	0.9	0.9	0.9	0.9	0.9
Profit and loss account	13.7	11.2	10.2	9.7	7.7
Equity shareholders' funds	58.6	58.4	57.4	57.2	55.5
Minority interests	1.2	1.0	1.4	2.1	2.1
	59.8	59.4	58.8	59.3	57.6
Operating cash inflow	13.0	12.5	12.9	12.0	14.5

The above is based on information extracted from the Company's statutory accounts as adjusted using information from its management accounts to reflect the change in the Company's accounting reference date in 2002 from 28 February to 30 June.

Notice of Annual General Meeting

Notice is hereby given that the tenth Annual General Meeting of the Company will be held at the offices of Hoare Govett Limited, 250 Bishopsgate, London EC2M 4AA on 9 November 2005 at 12.00 noon for the purpose of considering and, if thought fit, passing the following resolutions (which will be proposed, in the case of resolutions 1 to 8, as ordinary resolutions and, in the case of resolutions 9 and 10, as special resolutions):

Ordinary Business

1. To receive the Accounts of the Company for the financial year ended 30 June 2005 together with the Directors' and Auditors' Reports thereon.
2. To receive and approve the Report on Directors' Remuneration (as set out on pages 22 to 25 of the Annual Report and Accounts) for the financial year ended 30 June 2005.
3. To declare a final dividend of 2.45 pence per ordinary share for the financial year ended 30 June 2005.
4. To re-appoint Mr C J Brady, who retires by rotation, as a Director.
5. To re-appoint Mr M Asplin, who was appointed as a Director since the last Annual General Meeting, as a Director.
6. To re-appoint Mr T Garthwaite, who was appointed as a Director since the last Annual General Meeting, as a Director.
7. To re-appoint PKF (UK) LLP as auditors and authorise the Directors to fix their remuneration.

Special Business

8. To consider and, if thought fit, pass the following Resolution, which will be proposed as an Ordinary Resolution:
That the Directors be and they are hereby generally and unconditionally authorised (in substitution for any existing such authority, to the extent unused) for the purposes of section 80 of the Companies Act 1985 ("the Act") to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 of the Act) up to an aggregate nominal amount of £1,393,336, provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2006 or the date being 15 months after the date of the passing of this Resolution (whichever is the earlier), save that the Company may before such expiry make an offer or an agreement which would or might require relevant securities to be allotted after such authority expires and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.
9. To consider and, if thought fit, pass the following Resolution, which will be proposed as a Special Resolution:
That, subject to the passing of Resolution 8 above, the Directors be and they are hereby empowered (in substitution for any existing such power) pursuant to section 95 of the Act to allot equity securities (within the meaning of sections 94(2) and 94(3A) of the Act) for cash pursuant to the authority conferred on the Directors by Resolution 8 above as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (a) for the purpose of, or in connection with, an offer of such equity securities by way of rights to the holders of issued ordinary shares in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory or otherwise however; and
 - (b) otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £209,000.and such power shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2006 or the date being 15 months after the date of the passing of this Resolution (whichever is the earlier), save that the Company may before such expiry make an offer or an agreement which would or might require equity securities to be allotted after such power expires and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired. This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 94(3A) of the Act as if in the introductory wording to this Resolution 9 the words "pursuant to the authority conferred on the Directors by Resolution 8 above" were omitted.
10. To consider and, if thought fit, pass the following Resolution, which will be proposed as a Special Resolution:
That the Company be and is hereby generally and unconditionally authorised to make market purchases (as defined by section 163(3) of the Act) on the London Stock Exchange of ordinary shares of 5p each in the capital of the Company ("ordinary shares") provided that:
 - (a) the maximum aggregate number of ordinary shares authorised to be purchased is 8,360,018 ordinary shares;
 - (b) the minimum price which shall be paid for the ordinary shares is 5p for each ordinary share and the maximum price (exclusive of expenses) which may be paid for each ordinary share shall not be more than 5% above the average of the middle market quotations for ordinary shares of the Company derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day of the purchase;
 - (c) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2006 or the date being 15 months after the date of the passing of this Resolution (whichever is the earlier); and
 - (d) the Company may, before the expiry of this authority, make a contract to purchase ordinary shares under the authority hereby conferred which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its ordinary shares in pursuance of such a contract, as if such authority had not expired.

By Order of the Board

Ahmed Zahedieh

Secretary

15 September 2005

Registered Office:

Paulton House
8 Shepherdess Walk
London N1 7LB

Notes:

1. A member entitled to attend and vote at the above Meeting is entitled to appoint other person(s) to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company.
2. A form of proxy is enclosed which, to be valid, must be completed and returned to the office of the Company's Registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6ZR, not less than 48 hours before the time fixed for the Meeting.
3. The completion and return of a proxy will not prevent a member from attending the Meeting and voting in person if he or she wishes to do so.
4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members by 12.00 noon on 7 November 2005.
5. The following documents may be inspected at the Company's registered office during normal business hours on any weekday except Saturday, Sunday and any public holiday from the date of this notice until the conclusion of the Meeting, and will be available for inspection at the place of the Meeting for a period of 15 minutes before, and during, the Meeting:
 - (a) the register of interests of Directors and their connected persons; and
 - (b) the current service agreements and letters of appointment of Directors.

Form of Proxy

Wilmington Group plc Annual General Meeting on 9 November 2005 FORM OF PROXY

I/We (BLOCK CAPITALS PLEASE)

of

being a member/members of the above-named company, hereby appoint the Chairman of the Meeting or

.....
(see Note 2) as my/our proxy to attend and vote for me/us on my/our behalf in the manner indicated at the Annual General Meeting of the Company to be held at the offices of Hoare Govett Limited, 250 Bishopsgate, London EC2M 4AA on 9 November 2005 at 12.00 noon and at any adjournment thereof.

Please indicate with an X in the appropriate boxes how you wish your votes to be cast, otherwise your proxy will vote or abstain as he/she thinks fit. Details of the resolutions are set out in the Notice of the Meeting.

	FOR	AGAINST
ORDINARY BUSINESS		
1. To receive the Annual Report and Accounts		
2. To receive and approve the Report on Directors' Remuneration		
3. To declare a final dividend		
4. To re-appoint Mr C J Brady as a Director		
5. To re-appoint Mr M Asplin as a Director		
6. To re-appoint Mr T Garthwaite as a Director		
7. To re-appoint PKF (UK) LLP as auditors		
SPECIAL BUSINESS		
8. To renew the Directors' power to allot relevant securities (ordinary resolution)		
9. To renew the Directors' power to allot equity securities (special resolution)		
10. To authorise the Company to purchase its own shares on the market (special resolution)		

Signature: Dated:

Notes:

1. All members are entitled to attend and vote at the Meeting, whether or not they have returned a form of proxy.
2. A member may appoint a proxy of his or her own choice. If such an appointment is made, delete the words "the Chairman of the Meeting", initial the alteration and insert the name of the person to be appointed as proxy in the space provided. A proxy need not be a member of the Company but must attend the Meeting in person.
3. If the appointor is a corporation, this form must be executed under its common seal or under hand of an officer or attorney duly authorised on its behalf.
4. Any alteration or deletion must be signed or initialled.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of their joint holding.
6. If this form is returned duly signed but without any indication as to how the person appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes and whether or not he/she abstains from voting.
7. The proxy will act at his/her discretion in relation to any business other than the above arising at the Meeting (including any resolution to amend a resolution or to adjourn the Meeting).
8. To be effective, this form of proxy duly completed and signed, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified or office copy thereof), must be lodged with the Company's Registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6ZR, not less than 48 hours before the time appointed for the holding of the Meeting (or any adjournment thereof).
9. Completion and return of this form of proxy will not preclude a member from attending and voting in person at the Meeting should he/she subsequently decide to do so.

SECOND FOLD

BUSINESS REPLY SERVICE
Licence No. SEA 10850

1



**Lloyds TSB Registrars Scotland
The Causeway
Worthing
West Sussex BN99 6ZR**

FIRST FOLD

THIRD FOLD AND TUCK IN

WILMINGTON GROUP plc

19-21 Christopher Street,
London EC2A 2BS

Tel: +44(0) 20 7422 6800

Fax: +44(0) 20 7422 6822

Website: www.wilmington.co.uk