

International Herald Tribune Limited

Company Registration No 01106659

Director's report and financial statements

For the year ended 31 December 2009



INTERNATIONAL HERALD TRIBUNE LIMITED

COMPANY INFORMATION

Director	S Dunbar Johnson
Company secretary	P Falconer
Company number	1106659
Registered office	2nd Floor 1 New Oxford Street London WC1A 1NU
Auditors	Mazars LLP Chartered Accountants & Statutory Auditors Times House Throwley Way Sutton Surrey SM1 4JQ

INTERNATIONAL HERALD TRIBUNE LIMITED

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INTERNATIONAL HERALD TRIBUNE LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The director presents his report and the financial statements for the year ended 31 December 2009

Principal activities

The principal activities of the company continued to be to act as an advertising sales agency for its parent undertaking, International Herald Tribune SAS, which publishes the daily international newspaper The International Herald Tribune, and to organise international conferences

Director

The director who served during the year was

S Dunbar Johnson

Future developments

The director anticipates future performance to be in line with that seen previously

Post balance sheet events

On 5 March 2010 and in order to facilitate clearing of intercompany debtor balances, a dividend of £2,750,000 was declared by the company, being £550 per share

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

INTERNATIONAL HERALD TRIBUNE LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

Provision of information to auditors

The director at the time when this director's report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



S Dunbar Johnson
Director

Date 28.01.2010

INTERNATIONAL HERALD TRIBUNE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL HERALD TRIBUNE LIMITED

We have audited the financial statements of International Herald Tribune Limited for the year ended 31 December 2009, which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of director and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of director's responsibilities set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INTERNATIONAL HERALD TRIBUNE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL HERALD TRIBUNE LIMITED

Matters on which we are required to report by exception

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

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

Mazars UK

Mazars LLP, Chartered Accountants (Statutory Auditor)

Richard Gilbert (Senior Statutory Auditor)

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date

29 September 2010

INTERNATIONAL HERALD TRIBUNE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
Turnover	1,2	4,499,824	4,196,202
Administrative expenses		(3,949,560)	(4,146,692)
Other operating income	3	-	59,676
Operating profit	4	550,264	109,186
Interest receivable		179	3,701
Interest payable		(1,771)	(1,814)
Profit on ordinary activities before taxation		548,672	111,073
Tax on profit on ordinary activities	6	(168,520)	(38,841)
Profit for the financial year	11	380,152	72,232

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the profit and loss account

The notes on pages 7 to 13 form part of these financial statements

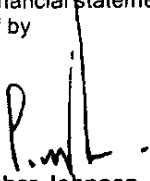
INTERNATIONAL HERALD TRIBUNE LIMITED

Registered number 1106659

BALANCE SHEET**AS AT 31 DECEMBER 2009**

	Note	£	2009 £	£	2008 £
Fixed assets					
Tangible fixed assets	7		122,943		162,445
Current assets					
Debtors	8	3,482,707		3,704,026	
Cash at bank		176,647		192,953	
		<u>3,659,354</u>		<u>3,896,979</u>	
Creditors amounts falling due within one year	9	(611,257)		(1,268,536)	
Net current assets			<u>3,048,097</u>		<u>2,628,443</u>
Total assets less current liabilities			<u><u>3,171,040</u></u>		<u><u>2,790,888</u></u>
Capital and reserves					
Called up share capital	10		5,000		5,000
Profit and loss account	11		<u>3,166,040</u>		<u>2,785,888</u>
Shareholders' funds	12		<u><u>3,171,040</u></u>		<u><u>2,790,888</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


S Dunbar Johnson
 Director

Date **28.9.2010.**

The notes on pages 7 to 13 form part of these financial statements

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

L/Term leasehold property	-	20%	straight line
Motor vehicles	-	20%	straight line
Fixtures & fittings	-	20%	straight line
Computer equipment	-	20%	straight line

1.5 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.9 Corresponding amounts

In certain cases the directors have reanalysed corresponding amounts in order to make their disclosure more meaningful

2 Turnover

An analysis of turnover by class of business is as follows

	2009 £	2008 £
Advertising commissions	3,202,762	3,741,831
Conferences	1,297,062	454,371
	<u>4,499,824</u>	<u>4,196,202</u>

Geographical market

	2009 £	2008 £
United Kingdom	286,272	78,010
Europe	3,744,265	3,907,857
Middle East	155,081	91,917
Africa	4,089	4,269
Asia	70,605	7,221
America	239,512	106,928
Total	<u>4,499,824</u>	<u>4,196,202</u>

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

3 Other operating income

	2009 £	2008 £
Rent receivable	-	59,676

4 Operating profit

The operating profit is stated after charging/(crediting)

	2009 £	2008 £
Depreciation of tangible fixed assets		
- owned by the company	39,502	27,344
Auditors' remuneration - annual audit	32,222	18,926
Auditors' remuneration - other services relating to taxation	750	2,000
Difference on foreign exchange	(32,193)	66,384

During the year, no director received any emoluments (2008 - £NIL)

5 Staff costs

Staff costs were as follows

	2009 £	2008 £
Wages and salaries	1,661,643	1,753,983
Social security costs	163,032	177,494
Other pension costs	137,254	114,423
	1,961,929	2,045,900

The average monthly number of employees, including the director, during the year was as follows

	2009 No	2008 No
Employees	30	30

6 Taxation

	2009 £	2008 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	168,520	39,617
Adjustments in respect of prior periods	-	(776)
Tax on profit on ordinary activities	168,520	38,841

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

6 Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2008 - higher than) the standard rate of corporation tax in the UK (28%) The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	548,672	111,073
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28.5%)	153,628	31,656
Effects of		
Expenses not deductible for tax purposes	11,893	20,588
Other adjustments	-	(6)
Capital allowances in excess of depreciation	2,999	(12,621)
Adjustments to tax charge in respect of prior periods	-	(776)
Current tax charge for the year (see note above)	168,520	38,841

Factors that may affect future tax charges

There were no factors that may affect future tax charges

7 Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 January 2009 and 31 December 2009	119,969	87,496	20,000	29,511	256,976
Depreciation					
At 1 January 2009	10,298	47,632	10,000	26,601	94,531
Charge for the year	24,400	9,173	4,000	1,929	39,502
At 31 December 2009	34,698	56,805	14,000	28,530	134,033
Net book value					
At 31 December 2009	85,271	30,691	6,000	981	122,943
At 31 December 2008	109,671	39,864	10,000	2,910	162,445

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

8 Debtors

	2009 £	2008 £
Trade debtors	119,155	414,840
Amounts owed by group undertakings	3,223,706	3,111,394
Other debtors	97,359	77,630
Prepayments and accrued income	42,487	100,162
	<u>3,482,707</u>	<u>3,704,026</u>

9 Creditors Amounts falling due within one year

	2009 £	2008 £
Bank loans and overdrafts	5,163	30,728
Trade creditors	102,067	188,246
Amounts owed to group undertakings	144,996	28,000
Corporation tax	114,094	6,269
Social security and other taxes	53,000	65,423
Accruals and deferred income	191,937	949,870
	<u>611,257</u>	<u>1,268,536</u>

The parent company has provided a guarantee covering bank borrowings obtained by the company

10 Share capital

	2009 £	2008 £
Allotted, called up and fully paid 5,000 Ordinary Shares shares of £1 each	<u>5,000</u>	<u>5,000</u>

11 Reserves

	Profit and loss account £
At 1 January 2009	2,785,888
Profit for the year	380,152
	<u>3,166,040</u>
At 31 December 2009	

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

12 Reconciliation of movement in shareholders' funds

	2009 £	2008 £
Opening shareholders' funds	2,790,888	2,718,656
Profit for the year	380,152	72,232
Closing shareholders' funds	<u>3,171,040</u>	<u>2,790,888</u>

13 Dividends

On 5 March 2010 and in order to facilitate clearing intercompany debtor balances, a dividend of £2,750,000 was declared by the company, being £550 per share

14 Contingent liabilities

A corporation tax enquiry by HMRC into preceeding years is currently open. No provision has been made for any amounts due as it is not possible to quantify the extent, if any, of these. It will only be possible to quantify any financial impact once the enquiry is concluded and no provision has therefore been recognised.

15 Pension commitments

Defined contribution

	2009 £	2008 £
Contributions payable by the company for the year	<u>137,254</u>	<u>114,423</u>

16 Operating lease commitments

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2009 £	2008 £	2009 £	2008 £
Expiry date				
Within 1 year	-	-	-	1,300
Between 2 and 5 years	109,135	-	3,011	3,011
After more than 5 years	-	109,135	-	-
	<u>109,135</u>	<u>109,135</u>	<u>3,011</u>	<u>4,311</u>

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

17 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

18 Ultimate parent undertaking and controlling party

The immediate parent company is International Herald Tribune SAS, incorporated in France, and the ultimate parent company is the The New York Times Company, incorporated in the United States

The parent company of the smallest group to include the company in its consolidated financial statements is International Herald Tribune SAS, a company incorporated in France