

Agora Publishing Limited
Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 December 2013



Langdon West Williams PLC
Curzon House 2nd Floor
24 High Street
Banstead
Surrey
SM7 2LJ

Agora Publishing Limited

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Agora Publishing Limited

Company Information for the year ended 31 December 2013

DIRECTORS:

W R Bonner
N Rentrop

SECRETARY:

Ms H Hunsperger

REGISTERED OFFICE:

8th Floor
Friars Bridge Court
41-45 Blackfriars Road
London
SE1 8NZ

REGISTERED NUMBER:

02823231 (England and Wales)

AUDITORS:

Langdon West Williams PLC
Curzon House 2nd Floor
24 High Street
Banstead
Surrey
SM7 2LJ

Agora Publishing Limited

Group Strategic Report for the year ended 31 December 2013

The directors present their strategic report of the company and the group for the year ended 31 December 2013.

REVIEW OF BUSINESS

During the course of the year, the group primarily published to its subscribers both printed and internet delivered and premium publications throughout the year covering financial, personal finance and health matters. Complimentary titles and programmes are also available as well as the widely distributed financial weekly magazine MoneyWeek, the free daily email Money Morning and the website www.moneyweek.com.

The group's subscriber numbers on a like for like basis increased during the year which resulted in an increase in turnover.

The primary measures used to monitor and assess performance in the year are turnover and profitability which are detailed in the profit and loss account. The group's turnover increased by 2% in the year and the operating profit decreased by 17% due to increased investment in marketing and the appreciation of the pound sterling against the South African rand.

The directors believe the actions taken in the year will allow the group to improve its financial performance in the future.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors continually monitor the trading and operational risks facing the group and implement processes and procedures necessary to maintain the group's performance during the financial year and its position at the end of the financial year.

The principal risks and uncertainties facing the group are:-

- 1) the effect of the current ongoing uncertainties facing the UK due to low growth and high government debt on subscribers confidence with the risk of them not renewing their subscription or purchasing other services. The group is addressing this by ensuring the content provided gives sound guidance on how subscribers can deal with the personal impact of macro economic issues and enhancing the information available on its website ; and
- 2) maintaining the high calibre and knowledgeable team of contributors and editors. This is being managed through a comprehensive training programme and ensuring an optimal employment environment.

ON BEHALF OF THE BOARD:



W R Bonner - Director

7 May 2014

**Report of the Directors
for the year ended 31 December 2013**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2013.

DIVIDENDS

An interim dividend of £526773.50 per share was paid on 20 December 2013. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2013 will be £1,053,547.

FUTURE DEVELOPMENTS

The group will continue to operate in its existing and related markets.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2013 to the date of this report.

W R Bonner
N Rentrop

FINANCIAL INSTRUMENTS

Financial risk management

The group's operations expose it to a limited number of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. Due to the nature of the financial instruments used by the group there is no exposure to price risk. The group's approach to managing these risks applicable to the financial instruments concerned is shown below. The group does not make speculative use of derivatives, currency or other instruments.

Credit risk

Credit risk consists mainly of cash deposits and trade debtors.

Cash deposits are all with major banks with high quality credit standing.

The group has implemented policies that require its subscribers to pay in advance of receiving the relevant product and if payment is not received within a short predefined time period the subscription is suspended. With regard to customers to whom credit is permitted, the group has policies regarding the level of credit allowed and the regular monitoring of amounts outstanding in respect of both time and credit limits.

The group has certain intra group loans denominated in euros and US dollars and so experiences currency exchange differences upon the retranslation of these balances, which are recognised in the profit and loss account in the period the retranslation occurs.

Liquidity risk

The group's risk to liquidity is a result of the funds available to cover future liabilities and commitments as they fall due. The group manages liquidity risk through an ongoing reviewing of future liabilities and commitments to ensure sufficient funds are available to meet amounts due.

Interest rate cash flow risk

The group has only interest bearing assets which comprise only cash balances. It does not have any interest bearing liabilities. The interest bearing assets are at variable rates through the group's bankers and the group's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact of profit.

**Report of the Directors
for the year ended 31 December 2013**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and 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 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

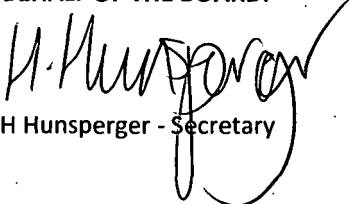
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Langdon West Williams PLC, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


Ms H Hunsperger - Secretary

7 May 2014

Report of the Independent Auditors to the Members of Agora Publishing Limited

We have audited the financial statements of Agora Publishing Limited for the year ended 31 December 2013 on pages seven to twenty six. 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).

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 a Report of the Auditors 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

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's 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 other matter prescribed by the Companies Act 2006

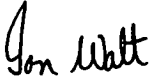
In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Agora Publishing 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Ian Watt (Senior Statutory Auditor)
for and on behalf of Langdon West Williams PLC
Curzon House 2nd Floor
24 High Street
Banstead
Surrey
SM7 2LJ

7 May 2014

Agora Publishing Limited

Consolidated Profit and Loss Account for the year ended 31 December 2013

	Notes	2013 £	2012 £
TURNOVER	2	18,472,042	18,068,640
Cost of sales		<u>9,192,626</u>	<u>8,082,316</u>
GROSS PROFIT		9,279,416	9,986,324
Administrative expenses		<u>7,293,188</u>	<u>7,605,052</u>
OPERATING PROFIT	4	1,986,228	2,381,272
Income from fixed asset investments	5	18,598	40,969
Interest receivable and similar income	6	<u>101,670</u>	<u>150,887</u>
		<u>120,268</u>	<u>191,856</u>
		2,106,496	2,573,128
Interest payable and similar charges	7	<u>1,413</u>	<u>59,072</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,105,083	2,514,056
Tax on profit on ordinary activities	8	<u>475,259</u>	<u>887,509</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,629,824	1,626,547
Minority interest - equity		<u>822</u>	<u>24</u>
RETAINED PROFIT FOR THE GROUP CARRIED FORWARD		<u>1,629,002</u>	<u>1,626,523</u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

Agora Publishing Limited

Consolidated Statement of Total Recognised Gains and Losses for the year ended 31 December 2013

	2013 £	2012 £
PROFIT FOR THE FINANCIAL YEAR	1,629,002	1,626,523
Exchange difference on retranslation of investment in foreign undertaking	<u>(194,648)</u>	<u>(175,813)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>1,434,354</u>	<u>1,450,710</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

The notes form part of these financial statements

Agora Publishing Limited (Registered number: 02823231)

**Consolidated Balance Sheet
31 December 2013**

		2013		2012	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11		494,670		660,925
Investments	12		<u>-</u>		<u>596,116</u>
			494,670		1,257,041
CURRENT ASSETS					
Stocks	13	167,624		213,053	
Debtors	14	2,739,176		2,761,379	
Cash at bank		<u>7,541,956</u>		<u>5,710,056</u>	
		10,448,756		8,684,488	
CREDITORS					
Amounts falling due within one year	15	<u>7,748,496</u>		<u>7,498,428</u>	
NET CURRENT ASSETS			<u>2,700,260</u>		<u>1,186,060</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,194,930		2,443,101
CREDITORS					
Amounts falling due after more than one year	16		(605,319)		(708,796)
PROVISIONS FOR LIABILITIES	18		(1,836,350)		(1,362,673)
MINORITY INTERESTS	19		<u>(953)</u>		<u>(131)</u>
NET ASSETS			<u><u>752,308</u></u>		<u><u>371,501</u></u>
CAPITAL AND RESERVES					
Called up share capital	20		2		2
Profit and loss account	21		<u>752,306</u>		<u>371,499</u>
SHAREHOLDERS' FUNDS	27		<u><u>752,308</u></u>		<u><u>371,501</u></u>

The financial statements were approved by the Board of Directors on 7 May 2014 and were signed on its behalf by:



W R Bonner - Director

The notes form part of these financial statements

Agora Publishing Limited (Registered number: 02823231)

**Company Balance Sheet
31 December 2013**

	Notes	2013		2012	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		-		-
Investments	12		<u>2,481,846</u>		<u>2,476,585</u>
			2,481,846		2,476,585
CREDITORS					
Amounts falling due within one year	15	<u>2,151,759</u>		<u>2,146,498</u>	
NET CURRENT LIABILITIES			<u>(2,151,759)</u>		<u>(2,146,498)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>330,087</u>		<u>330,087</u>
CAPITAL AND RESERVES					
Called up share capital	20		2		2
Profit and loss account	21		<u>330,085</u>		<u>330,085</u>
SHAREHOLDERS' FUNDS	27		<u>330,087</u>		<u>330,087</u>

The financial statements were approved by the Board of Directors on 7 May 2014 and were signed on its behalf by:



W R Bonner - Director

The notes form part of these financial statements

Agora Publishing Limited

Consolidated Cash Flow Statement for the year ended 31 December 2013

	Notes	2013 £	2012 £
Net cash inflow from operating activities	28	3,115,510	1,275,627
Returns on investments and servicing of finance	29	62,601	189,038
Taxation		(791,949)	(914,332)
Capital expenditure and financial investment	29	499,285	(119,767)
Equity dividends paid		<u>(1,053,547)</u>	<u>(7,798,000)</u>
Increase/(decrease) in cash in the period		<u>1,831,900</u>	<u>(7,367,434)</u>
Reconciliation of net cash flow to movement in net funds	30		
Increase/(decrease) in cash in the period		<u>1,831,900</u>	<u>(7,367,434)</u>
Change in net funds resulting from cash flows		<u>1,831,900</u>	<u>(7,367,434)</u>
Movement in net funds in the period		1,831,900	(7,367,434)
Net funds at 1 January		<u>5,710,056</u>	<u>13,077,490</u>
Net funds at 31 December		<u>7,541,956</u>	<u>5,710,056</u>

The notes form part of these financial statements

Agora Publishing Limited

Notes to the Consolidated Financial Statements for the year ended 31 December 2013

1. ACCOUNTING POLICIES

Accounting convention

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

The financial statements have been prepared in accordance with applicable accounting standards.

The following accounting policies have been applied consistently in dealing with material items in relation to the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all its subsidiaries. The turnover and results of subsidiary undertakings are included in the consolidated financial statements from the date of acquisition. The net assets of the subsidiary undertakings acquired are accounted for on the basis of fair value at the date of acquisition and any resulting goodwill has been capitalised and will be written off to the profit and loss account over 10 years, subject to an impairment review at the end of the period of acquisition. Interests in subsidiary undertakings held exclusively with a view for subsequent resale are excluded from the consolidation and held as current assets at the lower of cost and net realisable value. The group's share of the profits and losses of associated undertakings are accounted for under the equity method of accounting.

Turnover

Turnover represents the amounts derived from the group's principal activities and after the deduction of refunds and value added tax. Subscription income, after adjusting for refunds, is recognised as revenue on the basis of the sales value of the publications delivered in relation to the total sales value of all items covered by the subscription.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- in accordance with the property
Plant and machinery	- 33% on cost, 25% on cost and 20% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost and 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

The group contributed to money purchase schemes for certain staff. The pension cost charge represents contributions payable by the company to the funds and there were no unpaid amounts outstanding at the year end (2012 - Nil).

Deferred promotional expenditure

Promotional expenditure incurred during the year is matched against revenue generated by that expenditure. Deferred promotional expenditure included in the balance sheet represents expenditure incurred during the year in respect of which revenue is expected to arise after the balance sheet date.

Fixed asset investments

Listed and unlisted fixed asset investments are stated at cost in accordance with the historical cost accounting rules.

2. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	2013 £	2012 £
Publishing and marketing	18,425,844	18,024,607
Financial services	46,198	44,033
	<u>18,472,042</u>	<u>18,068,640</u>

An analysis of turnover by geographical market is given below:

	2013 £	2012 £
United Kingdom	13,377,839	11,647,911
Europe	609,967	549,926
South Africa	3,943,893	5,406,066
Rest of the World	540,343	464,737
	<u>18,472,042</u>	<u>18,068,640</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

3. STAFF COSTS

	2013	2012
	£	£
Wages and salaries	4,322,294	4,682,081
Social security costs	402,527	421,725
Other pension costs	142,633	132,799
	<u>4,867,454</u>	<u>5,236,605</u>

The average monthly number of employees during the year was as follows:

	2013	2012
Production and customer services	52	51
Office and management	97	103
	<u>149</u>	<u>154</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2013	2012
	£	£
Hire of plant and machinery	36,844	32,514
Other operating leases	267,186	249,270
Depreciation - owned assets	216,116	207,862
Loss on disposal of fixed assets	842	5,572
Computer software amortisation	-	1,795
Auditors' remuneration	24,870	25,705
Auditors' remuneration for non audit work	20,890	24,928
Foreign exchange differences	7,467	(33,775)
Management charges payable to ultimate parent company	451,645	-
Management charges payable to fellow group companies	-	336,047
Foreign exchange differences	<u>7,467</u>	<u>(33,775)</u>
Directors' remuneration	<u>3,000</u>	<u>40,200</u>

5. INCOME FROM FIXED ASSET INVESTMENTS

	2013	2012
	£	£
Other fixed asset inv - UnFII	<u>18,598</u>	<u>40,969</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2013	2012
	£	£
Bank interest receivable	<u>101,670</u>	<u>150,887</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Bank interest	1,413	2,818
Other interest payable	-	56,254
	<u>1,413</u>	<u>59,072</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2013	2012
	£	£
Current tax:		
UK corporation tax	316,711	374,697
Adjustment relating to previous periods	-	(1,172)
Overseas dividend withholding tax	29,134	439,667
Corporation tax - overseas	74,486	444,028
Corporation tax - overseas adjustment relating to previous periods	<u>317</u>	<u>64,172</u>
Total current tax	<u>420,648</u>	<u>1,321,392</u>
Deferred tax:		
Origination and reversal of timing differences	(70,509)	(23,103)
Rates adjustment	2,977	4,029
Overseas timing differences	<u>122,143</u>	<u>(414,809)</u>
Total deferred tax	<u>54,611</u>	<u>(433,883)</u>
Tax on profit on ordinary activities	<u>475,259</u>	<u>887,509</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

8. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>2,105,083</u>	<u>2,514,056</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.247% (2012 - 24.497%)	489,369	615,868
Effects of:		
Expenses not deductible for tax purposes	7,746	84,819
Income not taxable for tax purposes	(5,224)	(11,161)
Capital allowances in excess of depreciation	(114,850)	-
Depreciation in excess of capital allowances	-	6,370
Utilisation of tax losses	-	(43,317)
Adjustments to tax charge in respect of previous periods	317	63,000
Other timing differences	(23,470)	123,648
Foreign dividend withholding tax	29,134	439,667
Higher tax rates on foreign subsidiaries profits	37,626	42,817
Marginal small companies rates	-	(319)
Current tax charge	<u>420,648</u>	<u>1,321,392</u>

9. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,053,547 (2012 - £5,457,000).

The parent company did not trade during the year. The profit in the period and the previous period comprises dividends receivable from subsidiary undertakings.

10. DIVIDENDS

	2013 £	2012 £
Ordinary shares of £1 each		
Interim	<u>1,053,547</u>	<u>7,798,000</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

11. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2013	108,933	159,358	194,754	1,194,314	1,657,359
Additions	22,682	-	15,395	61,918	99,995
Disposals	(32,444)	-	(12,303)	(52,302)	(97,049)
Exchange differences	(8,550)	(1,794)	(3,017)	(57,398)	(70,759)
At 31 December 2013	<u>90,621</u>	<u>157,564</u>	<u>194,829</u>	<u>1,146,532</u>	<u>1,589,546</u>
DEPRECIATION					
At 1 January 2013	39,042	37,184	111,679	808,529	996,434
Charge for year	29,575	31,220	28,679	126,642	216,116
Eliminated on disposal	(32,444)	-	(8,298)	(52,301)	(93,043)
Exchange differences	(5,267)	(860)	-	(18,504)	(24,631)
At 31 December 2013	<u>30,906</u>	<u>67,544</u>	<u>132,060</u>	<u>864,366</u>	<u>1,094,876</u>
NET BOOK VALUE					
At 31 December 2013	<u>59,715</u>	<u>90,020</u>	<u>62,769</u>	<u>282,166</u>	<u>494,670</u>
At 31 December 2012	<u>69,891</u>	<u>122,174</u>	<u>83,075</u>	<u>385,785</u>	<u>660,925</u>

12. FIXED ASSET INVESTMENTS

Group	Listed investments £
COST	
At 1 January 2013	596,116
Disposals	(596,116)
At 31 December 2013	-
NET BOOK VALUE	
At 31 December 2013	-
At 31 December 2012	<u>596,116</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

12. FIXED ASSET INVESTMENTS - continued

Company	Shares in group undertakings £
COST	
At 1 January 2013	3,184,901
Additions	<u>5,261</u>
At 31 December 2013	<u>3,190,162</u>
PROVISIONS	
At 1 January 2013 and 31 December 2013	<u>708,316</u>
NET BOOK VALUE	
At 31 December 2013	<u>2,481,846</u>
At 31 December 2012	<u>2,476,585</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Fleet Street Publications Limited

Country of incorporation: England and Wales

Nature of business: Publishing and marketing

	%
Class of shares:	holding
A Ordinary shares	100.00
B Ordinary shares	100.00

During the year ended 31 December 2008, W R Bonner acquired 1 Voting Deferred Share of £1 in Fleet Street Publications Limited.

Agora Lifestyles Limited

Country of incorporation: England and Wales

Nature of business: Publishing and marketing

	%
Class of shares:	holding
Ordinary	100.00

Agora Health Limited

Country of incorporation: England and Wales

Nature of business: Publishing and sale of complimentary products

	%
Class of shares:	holding
Ordinary	100.00

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

12. FIXED ASSET INVESTMENTS - continued

FSP Financial Services Limited

Country of incorporation: England and Wales

Nature of business: Financial services

	%
Class of shares:	holding
Ordinary	100.00

Fleet Street Publications (Proprietary) Limited

Country of incorporation: South Africa

Nature of business: Publishing and marketing

	%
Class of shares:	holding
Ordinary	100.00

This company is a subsidiary of Fleet Street Publications Limited.

0800 Shares Limited

Country of incorporation: England and Wales

Nature of business: Execution only financial services

	%
Class of shares:	holding
Ordinary	100.00

This company is a subsidiary of Fleet Street Publications Limited.

More Money Review Limited

Country of incorporation: England and Wales

Nature of business: Publishing and website marketing

	%
Class of shares:	holding
Ordinary	100.00

This company is a subsidiary of Agora Lifestyles Limited.

Moneyweek Limited

Country of incorporation: England and Wales

Nature of business: Publishing

	%
Class of shares:	holding
Ordinary	100.00
Deferred ordinary	100.00

13. STOCKS

	Group	
	2013	2012
	£	£
Stocks	<u>167,624</u>	<u>213,053</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

14. DEBTORS

	Group	
	2013	2012
	£	£
Amounts falling due within one year:		
Trade debtors	1,086,537	951,573
Amounts recoverable on contract	3,631	12,503
Other debtors	111,422	188,312
Tax	155,547	-
Deferred tax asset	259,781	252,434
Prepayments and accrued income	165,048	178,374
	<u>1,781,966</u>	<u>1,583,196</u>
Amounts falling due after more than one year:		
Other debtors	462,079	458,050
Tax	115,520	114,513
Deferred tax asset	379,611	605,620
	<u>957,210</u>	<u>1,178,183</u>
Aggregate amounts	<u>2,739,176</u>	<u>2,761,379</u>
Deferred tax asset		
	Group	Company
	2013	2012
	£	£
Accelerated capital allowances	53,224	51,974
Other timing differences	586,168	806,080
	<u>639,392</u>	<u>858,054</u>

The unprovided deferred tax asset attributable to UK trading losses is £507,702 (2012- £598,540).

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	1,195,461	664,312	-	-
Tax	89,065	303,812	-	-
Social security and other taxes	116,354	111,779	-	-
VAT	93,463	213,247	-	-
Other creditors	198,762	694,387	1,557	277,941
Amounts owed to ultimate parent undertaking	406,433	52,834	-	-
Amounts owed to group undertakings	854,561	871,693	2,150,202	1,868,557
Accrued expenses	1,736,234	1,813,584	-	-
Deferred income	3,058,163	2,772,780	-	-
	<u>7,748,496</u>	<u>7,498,428</u>	<u>2,151,759</u>	<u>2,146,498</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2013	2012
	£	£
Deferred income	<u>605,319</u>	<u>708,796</u>

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

Group	Land and buildings		Other operating leases	
	2013	2012	2013	2012
	£	£	£	£
Expiring:				
Between one and five years	320,523	76,692	15,000	23,000
In more than five years	-	270,527	-	-
	<u>320,523</u>	<u>347,219</u>	<u>15,000</u>	<u>23,000</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

18. PROVISIONS FOR LIABILITIES

	Group	
	2013 £	2012 £
Other provisions	<u>1,836,350</u>	<u>1,362,673</u>
Aggregate amounts	<u>1,836,350</u>	<u>1,362,673</u>
 Group		
	Deferred tax £	Other provisions £
Balance at 1 January 2013	(858,054)	1,362,673
Credit to profit and loss account during year	54,611	681,193
Exchange difference on retranslation of investment in foreign undertaking	<u>164,051</u>	<u>(207,516)</u>
Balance at 31 December 2013	<u>(639,392)</u>	<u>1,836,350</u>

No provision has been made for the deferred tax payable in the event of distributing the accumulated reserves of the overseas subsidiary (2012 £Nil) as no dividend has been accrued and there is no binding agreement to distribute past reserves.

The other provisions relate provisions in respect of contractual management loyalty bonuses that are payable by 2020.

19. MINORITY INTERESTS

In accordance with Financial Reporting Standard No 2, Subsidiary Undertakings, the aggregate of the capital and reserves attributable to minority interests at the period end is disclosed separately and, where the minority interest comprises net liabilities, the group has made provision for any commercial or legal obligation to provide finance.

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2013 £	2012 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

21. RESERVES

Group

	Profit and loss account £
At 1 January 2013	371,499
Profit for the year	1,629,002
Dividends	(1,053,547)
Exchange difference on retranslation of investment in foreign undertaking	<u>(194,648)</u>
At 31 December 2013	<u><u>752,306</u></u>

Company

	Profit and loss account £
At 1 January 2013	330,085
Profit for the year	1,053,547
Dividends	<u>(1,053,547)</u>
At 31 December 2013	<u><u>330,085</u></u>

Goodwill on acquisitions up to 31 December 1998 have been eliminated against the profit and loss account as a matter of accounting policy. This goodwill will be charged to the profit and loss account on subsequent disposal of the business to which it related. The cumulative amounts of goodwill resulting from acquisitions which has been eliminated against reserves is £765,659 (2010 £765,659).

22. ULTIMATE PARENT COMPANY

Agora Inc. (incorporated in United States of America) is regarded by the directors as being the company's ultimate parent company.

23. CAPITAL COMMITMENTS

	2013 £	2012 £
Contracted but not provided for in the financial statements	<u><u>20,000</u></u>	<u><u>22,500</u></u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

24. OTHER FINANCIAL COMMITMENTS

Group guarantees and financial commitments

The group has given its bankers fixed and floating charges over the undertaking and all current and future assets and a cross guarantee in respect of any bank borrowings of its subsidiary undertakings Fleet Street Publications Limited and Agora Lifestyles Limited.

25. RELATED PARTY DISCLOSURES

During the year the group has purchased goods and services from the ultimate parent undertaking, Agora Inc, on normal commercial terms totalling £505,315 (2012 - £370,083), management charges of £451,645 (2012 - nil) and sold services to that company totalling £355,700 (2012 - £330,307). At the year end that company was owed £406,433 (2012- £52,834).

During 2012 the group was charged management charges by a fellow group company, International Living Publishing Limited, a company registered in Eire, totalling £336,047 and sold services to that company totalling £3,438 all on normal commercial terms. At the year end that company was owed £854,561 (2012- £871,693), which is included within Creditors: Amounts falling due within one year.

During the year the group provided administrative services to Agora Business Publications LLP, which is registered in England and Wales on normal commercial terms totalling £7,467 (2012 - £6,127). At the year end the group owed the LLP £815 (2012 - Debtor £2,799). The groups' ultimate parent undertaking, Agora Inc., is a member with a 50% interest in Agora Business Publications LLP.

Advantage has been taken of the exemptions provided in Financial Reporting Standard 8 not to disclose related party transactions with its subsidiary undertakings.

26. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is W R Bonner.

27. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2013 £	2012 £
Profit for the financial year	1,629,002	1,626,523
Dividends	(1,053,547)	(7,798,000)
	575,455	(6,171,477)
Other recognised gains and losses relating to the year (net)	(194,648)	(175,813)
Net addition/(reduction) to shareholders' funds	380,807	(6,347,290)
Opening shareholders' funds	371,501	6,718,791
Closing shareholders' funds	752,308	371,501

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

27. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	2013	2012
	£	£
Profit for the financial year	1,053,547	5,457,000
Dividends	<u>(1,053,547)</u>	<u>(7,798,000)</u>
Net addition/(reduction) to shareholders' funds	-	(2,341,000)
Opening shareholders' funds	<u>330,087</u>	<u>2,671,087</u>
Closing shareholders' funds	<u><u>330,087</u></u>	<u><u>330,087</u></u>

28. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	1,986,228	2,381,272
Depreciation charges	216,116	207,862
Loss on disposal of fixed assets	842	5,572
Exchange difference o foreign subsidiary	(196,648)	(175,813)
Exchange difference on opening assets	212,179	41,959
Increase in provisions	473,677	238,951
Decrease/(increase) in stocks	45,429	(19,274)
(Increase)/decrease in debtors	(39,905)	66,494
Increase/(decrease) in creditors	<u>417,592</u>	<u>(1,471,396)</u>
Net cash inflow from operating activities	<u><u>3,115,510</u></u>	<u><u>1,275,627</u></u>

29. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2013	2012
	£	£
Returns on investments and servicing of finance		
Interest received	101,670	150,887
Interest paid	(57,667)	(2,818)
Dividends received	<u>18,598</u>	<u>40,969</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>62,601</u></u>	<u><u>189,038</u></u>

Agora Publishing Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31 December 2013

29. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - continued

	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(99,995)	(149,981)
Purchase of fixed asset investments	-	(90,901)
Sale of intangible fixed assets	-	11,498
Sale of tangible fixed assets	3,164	-
Sale of fixed asset investments	<u>596,116</u>	<u>109,617</u>
Net cash inflow/(outflow) for capital expenditure and financial investment	<u><u>499,285</u></u>	<u><u>(119,767)</u></u>

30. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/13 £	Cash flow £	At 31/12/13 £
Net cash:			
Cash at bank	<u>5,710,056</u>	<u>1,831,900</u>	<u>7,541,956</u>
	<u>5,710,056</u>	<u>1,831,900</u>	<u>7,541,956</u>
Total	<u><u>5,710,056</u></u>	<u><u>1,831,900</u></u>	<u><u>7,541,956</u></u>