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**CASPIAN MEDIA LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2014**



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**CASPIAN MEDIA LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

S Randell  
I Gerrard  
R C Stanhope

**REGISTERED NUMBER**

03157774

**REGISTERED OFFICE**

Unit G4  
Harbour Yard  
Chelsea Harbour  
London  
SW10 0XD

**INDEPENDENT AUDITOR**

Barnes Roffe LLP  
Chartered Accountants & Statutory Auditor  
3 Brook Business Centre  
Cowley Mill Road  
Uxbridge  
Middlesex  
UB8 2FX

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**CASPIAN MEDIA LIMITED**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2014**

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**INTRODUCTION**

The directors present the strategic report for the year ended 30 June 2014.

The principal activities of the company in the year under review were those of print and digital magazine publishing, contract publishing and conference and events management.

**BUSINESS REVIEW**

Caspian Media is an award winning B2B media agency producing innovative and successful print, digital and event solutions for a range of blue chip clients.

The results for the year and financial position of the company are as shown in the annexed financial statements.

2014 was a very successful year for Caspian with several new blue chip clients contributing to a growth in turnover of 6.4%. Keeping control of the cost base, the resultant EBITDA of £470k is a significant improvement over the prior year.

All Divisions performed well, exceeding the prior year with improved margins. The company gross profit margin has improved 4 percentage points from 45% to 49%. This is the culmination of significant work over the past two years to re-engineer existing business alongside new business generation.

On 7 July 2014 the company signed an exciting new contract with the Institute of Marine Engineering Science and Technology (IMarEST). IMarEST, which was founded in 1889, is the largest marine organisation of its kind in the world, bringing together marine engineers, scientists and technologists from more than 100 countries into one international multi-disciplinary professional body. Caspian will produce its prestigious marine magazines, with responsibility for all published editorial, advertisement sales, digital content, design, production and conferences production and staging to compliment the IMarEST's continuing programme of Learned Society events.

With the increase in both existing and new business across print, digital and events the company looks set to achieve continued profitable growth.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company, in common with other publishing companies, is exposed to the possibility of a downturn in the global advertising market as part of a wider economic downturn. Other key risks include the loss of key contracts and the risk of being unable to attract and retain suitable staff.

The company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on all new customers, accepting only prepayments if necessary and by monitoring payments against contractual agreements.

The company monitors cashflow as part of its day to day control procedures to ensure that appropriate facilities are available to be drawn upon as necessary.

**KEY PERFORMANCE INDICATORS**

The company uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial.

The key financial performance indicators are turnover, gross profit, gross margin and EBITDA. The key non-financial performance indicator is the number of staff employed by the company.

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CASPIAN MEDIA LIMITED

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STRATEGIC REPORT (continued)  
FOR THE YEAR ENDED 30 JUNE 2014

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The KPIs for the year ended 30 June 2014, with comparatives for the year ended 30 June 2013, are set out below:

	2014	2013
Turnover (£)	7,642,415	7,183,300
Gross profit (£)	3,740,216	3,230,640
Gross profit margin (%)	48.9	45.0
EBITDA (£)	469,751	(181,369)
Average number of employees	55	58

This report was approved by the board on

27/11/14

and signed on its behalf by:



R C Stanhope  
Director

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## CASPIAN MEDIA LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

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The directors present their report and the financial statements for the year ended 30 June 2014.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, the directors' report 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### RESULTS

The profit for the year, after taxation, amounted to £472,779 (2013 - loss £394,673).

#### DIRECTORS

The directors who served during the year were:

S Randell  
I Gerrard  
R C Stanhope

#### DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is 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 relevant audit information and to establish that the company's auditor is aware of that information.

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CASPIAN MEDIA LIMITED

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DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2014

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AUDITOR

Barnes Roffe LLP were appointed auditors of the company during the year following the resignation of BDO LLP. Barnes Roffe LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

27/11/14

and signed on its behalf by:



R C Stanhope  
Director

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## CASPIAN MEDIA LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CASPIAN MEDIA LIMITED

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We have audited the financial statements of Caspian Media Limited for the year ended 30 June 2014, set out on pages 7 to 19. 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 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 AUDITOR

As explained more fully in the directors' responsibilities statement, 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 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 strategic report and the directors' report 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 company's affairs as at 30 June 2014 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 OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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



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CASPIAN MEDIA LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CASPIAN MEDIA LIMITED

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**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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Barnes Roffe LLP*

Christopher Smith  
Senior Statutory Auditor  
for and on behalf of

**Barnes Roffe LLP**

Chartered Accountants & Statutory Auditor

3 Brook Business Centre

Cowley Mill Road

Uxbridge

Middlesex

UB8 2FX

Date: 5 DECEMBER 2014

**CASPIAN MEDIA LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014 £	2013 £
<b>TURNOVER</b>	1,2	<b>7,642,415</b>	<b>7,183,300</b>
Cost of sales		<u>(3,902,199)</u>	<u>(3,952,660)</u>
<b>GROSS PROFIT</b>		<b>3,740,216</b>	<b>3,230,640</b>
Administrative expenses		<u>(3,363,866)</u>	<u>(3,515,476)</u>
<b>OPERATING PROFIT/(LOSS)</b>	3	<b>376,350</b>	<b>(284,836)</b>
Interest receivable and similar income		<b>586</b>	<b>382</b>
Interest payable and similar charges	6	<u>(4,157)</u>	<u>(10,219)</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>372,779</b>	<b>(294,673)</b>
Tax on profit/(loss) on ordinary activities	7	<u><b>100,000</b></u>	<u><b>(100,000)</b></u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	16, 17	<u><b>472,779</b></u>	<u><b>(394,673)</b></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 9 to 19 form part of these financial statements.

**CASPIAN MEDIA LIMITED**  
**REGISTERED NUMBER: 03157774**

**BALANCE SHEET**  
**AS AT 30 JUNE 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	8		98,848		164,680
Investments	9		4		19
			<u>98,852</u>		<u>164,699</u>
<b>CURRENT ASSETS</b>					
Stocks		4,002		8,486	
Debtors: amounts falling due after more than one year	10	1,577,255		1,460,760	
Debtors: amounts falling due within one year	10	1,121,348		932,970	
Cash at bank and in hand		603,585		609,211	
		<u>3,306,190</u>		<u>3,011,427</u>	
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(2,514,227)</u>		<u>(2,761,106)</u>	
<b>NET CURRENT ASSETS</b>			<u>791,963</u>		<u>250,321</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>890,815</u>		<u>415,020</u>
<b>CREDITORS: amounts falling due after more than one year</b>	12		(15,337)		(12,321)
<b>PROVISIONS FOR LIABILITIES</b>					
Other provisions	14		(64,000)		(64,000)
<b>NET ASSETS</b>			<u>811,478</u>		<u>338,699</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		131,756		131,756
Share premium account	16		410,338		410,338
Profit and loss account	16		269,384		(203,395)
<b>SHAREHOLDERS' FUNDS</b>	17		<u>811,478</u>		<u>338,699</u>

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

 27/11/14

**R C Stanhope**  
Director

The notes on pages 9 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and on the assumption that the company is a going concern.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**1.2 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within a 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 services supplied during the year, exclusive of Value Added Tax and trade discounts. The four main revenue streams are:

- Advertising (print-based and online) income is recognised when the relevant publication is distributed or the campaign run respectively
- Subscription income is recognised on a straight line basis over the subscription period
- Events and associated sponsorship income is recognised on the event date
- Publishing income is recognised when the relevant publication is distributed.

**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:

Office equipment	- 20% straight line basis
Computer equipment	- 25% straight line basis

**1.5 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**1.6 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 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.

**1.8 Stocks**

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

**1.9 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.

**1.10 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.

**1.11 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.

**1.12 Provision for dilapidations**

Provisions for leasehold dilapidations are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the value of the obligation.

**CASPIAN MEDIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**2. TURNOVER**

The whole of the turnover is attributable to the principle activities of the company.

Turnover consists of	2014 £	2013 £
Proprietary publishing	2,705,684	2,704,765
Contract publishing and events	4,936,731	4,478,535
	<u>7,642,415</u>	<u>7,183,300</u>

All turnover arose within the United Kingdom.

**3. OPERATING PROFIT/(LOSS)**

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	76,595	66,387
- held under finance leases	16,806	37,080
Auditor's remuneration	7,500	15,600
Auditor's remuneration - non-audit	-	4,860
Operating lease rentals:		
- plant and machinery	31,605	30,364
- other operating leases	108,885	105,733
Difference on foreign exchange	617	4,388
(Profit)/loss on sale of tangible assets	(213)	4,171
	<u>                    </u>	<u>                    </u>

**4. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	2,457,424	2,414,768
Social security costs	267,386	267,692
Other pension costs	21,531	18,999
	<u>2,746,341</u>	<u>2,701,459</u>

**CASPIAN MEDIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**4. STAFF COSTS (continued)**

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

	2014 No.	2013 No.
Management and finance	8	11
Editorial and design	25	25
Conference and events	6	5
Sales and marketing	14	15
Online publishing	2	2
	<u>55</u>	<u>58</u>

**5. DIRECTORS' REMUNERATION**

	2014 £	2013 £
Remuneration	<u>569,584</u>	<u>436,766</u>
Company pension contributions to defined contribution pension schemes	<u>8,468</u>	<u>4,542</u>
Compensation for loss of office	<u>-</u>	<u>193,101</u>

During the year retirement benefits were accruing to 3 directors (2013 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £243,827 (2013 - £102,654).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,834 (2013 - £Nil).

**6. INTEREST PAYABLE**

	2014 £	2013 £
On finance leases and hire purchase contracts	<u>4,157</u>	<u>10,219</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**7. TAXATION**

	2014 £	2013 £
<b>Analysis of tax charge in the year</b>		
Deferred tax (see note 13)		
Origination and reversal of timing differences	(100,000)	100,000
<b>Tax on profit/(loss) on ordinary activities</b>	<u>(100,000)</u>	<u>100,000</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2013 - *higher than*) the standard rate of corporation tax in the UK of 21% (2013 - 23.75%). The differences are explained below:

	2014 £	2013 £
Profit/(loss) on ordinary activities before tax	<u>372,779</u>	<u>(294,673)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23.75%)	78,284	(69,985)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,671	3,029
Depreciation for year in excess of capital allowances	3,837	12,614
Utilisation of tax losses	(87,669)	-
Other timing differences leading to an increase (decrease) in taxation	-	(8,404)
Unrelieved tax losses carried forward	-	62,746
Receipt of group relief	(123)	-
<b>Current tax charge for the year (see note above)</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

The company has approximately £790,000 of trading losses available for offset against future trading profits. Additionally, the company has approximately £205,000 of capital losses available for offset against future capital gains.

Other than the above, there are no material factors that may materially affect future tax charges.



**CASPIAN MEDIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**8. TANGIBLE FIXED ASSETS**

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 July 2013	39,717	457,736	497,453
Additions	-	27,806	27,806
Disposals	-	(14,197)	(14,197)
At 30 June 2014	<u>39,717</u>	<u>471,345</u>	<u>511,062</u>
<b>Depreciation</b>			
At 1 July 2013	12,162	320,611	332,773
Charge for the year	8,136	85,265	93,401
On disposals	-	(13,960)	(13,960)
At 30 June 2014	<u>20,298</u>	<u>391,916</u>	<u>412,214</u>
<b>Net book value</b>			
At 30 June 2014	<u>19,419</u>	<u>79,429</u>	<u>98,848</u>
At 30 June 2013	<u>27,555</u>	<u>137,125</u>	<u>164,680</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2014 £	2013 £
Computer equipment	<u>55,719</u>	<u>82,098</u>

**9. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 July 2013	19
Disposals	(15)
At 30 June 2014	<u>4</u>
<b>Net book value</b>	
At 30 June 2014	<u>4</u>
At 30 June 2013	<u>19</u>

# CASPIAN MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### 9. FIXED ASSET INVESTMENTS (continued)

#### Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	2014 £	2013 £
Real Business Limited	Ordinary	100 %	2	2
Real Deals Limited	Ordinary	100 %	2	2
Real Finance Limited*	Ordinary	100 %	-	1
Real Business Events Limited*	Ordinary	100 %	-	2
Real Business Conferences Limited*	Ordinary	100 %	-	2
Caspian Conferences Limited*	Ordinary	100 %	-	2
Real IR Limited*	Ordinary	100 %	-	2
Real Investors Relations Limited*	Ordinary	100 %	-	2
Real Publishing Limited*	Ordinary	100 %	-	2
Real FD Limited*	Ordinary	100 %	-	2
			<u>4</u>	<u>19</u>

\*investments disposed of in the year

Name	Business	Registered office
Real Business Limited	Dormant	England & Wales
Real Deals Limited	Dormant	England & Wales

### 10. DEBTORS

	2014 £	2013 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	<u>1,577,255</u>	<u>1,460,760</u>
<b>Due within one year</b>		
Trade debtors	731,724	625,608
Other debtors	31,673	30,000
Prepayments and accrued income	217,951	237,362
Deferred tax asset (see note 13)	140,000	40,000
	<u>1,121,348</u>	<u>932,970</u>

**CASPIAN MEDIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**11. CREDITORS:**

**Amounts falling due within one year**

	2014 £	2013 £
Net obligations under finance leases and hire purchase contracts	20,066	38,112
Trade creditors	635,970	810,515
Other taxation and social security	79,922	91,202
Accruals	742,000	599,688
Deferred income	909,175	1,163,231
Other creditors	127,094	58,358
	<u>2,514,227</u>	<u>2,761,106</u>

Amounts due within one year include amounts owed under finance leases and hire purchase contracts of £20,066 (2013 - £38,112) that are secured on the assets to which they relate.

**12. CREDITORS:**

**Amounts falling due after more than one year**

	2014 £	2013 £
Net obligations under finance leases and hire purchase contracts	<u>15,337</u>	<u>12,321</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2014 £	2013 £
Between one and five years	<u>15,337</u>	<u>12,321</u>

Amounts due after more than one year include amounts owed under finance leases and hire purchase contracts of £15,337 (2013 - £12,321) that are secured on the assets to which they relate.

**13. DEFERRED TAX ASSET**

	2014 £	2013 £
At beginning of year	40,000	140,000
Charged to the profit and loss account	100,000	(100,000)
At end of year	<u>140,000</u>	<u>40,000</u>

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**CASPIAN MEDIA LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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**13. DEFERRED TAX ASSET (continued)**

The deferred tax asset is made up as follows:

	2014 £	2013 £
Tax losses to be carried forward	<u>140,000</u>	<u>40,000</u>

At 30 June 2014 the company had an unrecognised deferred tax asset of £18,038 (2013 - £213,609) in respect of losses.

**14. PROVISIONS**

	Provision for dilapidations £
At 1 July 2013 and 30 June 2014	<u>64,000</u>

**Provision for dilapidations**

The provision relates to the expected dilapidations at the end of the lease related to the leasehold property that the company currently occupies.

**15. SHARE CAPITAL**

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
131,756 Ordinary shares of £1 each	<u>131,756</u>	<u>131,756</u>

**16. RESERVES**

	Share premium account £	Profit and loss account £
At 1 July 2013	410,338	(203,395)
Profit for the financial year		472,779
At 30 June 2014	<u>410,338</u>	<u>269,384</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2014 £	2013 £
Opening shareholders' funds	338,699	733,372
Profit/(loss) for the financial year	472,779	(394,673)
Closing shareholders' funds	<u>811,478</u>	<u>338,699</u>

**18. CONTINGENT LIABILITIES**

On 12 September 2002 the company provided a debenture to the company's bankers giving a fixed and floating charge over all assets of the company.

**19. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £21,531 (2013 - £18,999). There were no contributions payable to the fund at the current or prior year end.

**20. OPERATING LEASE COMMITMENTS**

At 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>		<b>Other</b>	
	2014 £	2013 £	2014 £	2013 £
<b>Expiry date:</b>				
Between 2 and 5 years	<u>140,800</u>	<u>137,600</u>	<u>25,588</u>	<u>25,576</u>

**21. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption given by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by Caspian Media Holdings Limited on the grounds that 100% of the voting rights of the company are controlled within that group and the company is included in the consolidation financial statements of Caspian Media Holdings Limited.

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**CASPIAN MEDIA LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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**22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate parent company is Caspian Media Holdings Limited, the parent of the smallest group of which the company is a member. The company's ultimate parent company is Lloyds Banking Group Plc, the parent of the largest group of which the company is a member.

Copies of the consolidated financial statements of Caspian Media Holdings Limited and Lloyds Banking Group Plc are available from Companies House.