REGISTERED NUMBER: 03157774 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

FOR

CASPIAN MEDIA LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2017

DIRECTORS:	S Randell S J Woollett
SECRETARY:	S J Woollett
REGISTERED OFFICE:	Unit G4 Harbour Yard Chelsea Harbour London SW10 0XD
REGISTERED NUMBER:	03157774 (England and Wales)
AUDITORS:	Wilkins Kennedy LLP Statutory Auditor Chartered Accountants Bridge House London Bridge London SE1 9QR

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2017

The directors present their report with the financial statements of the company for the year ended 30 June 2017.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of print and digital magazine publishing, contract publishing and conference and events management.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 July 2016 to the date of this report.

S Randell
S J Woollett

Other changes in directors holding office are as follows:

I Gerrard - resigned 16 September 2016

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 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 judgements 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.

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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

....
S J Woollett - Director

Date: 26 March 2018

Opinion
We have audited the financial statements of Caspian Media Limited (the 'company') for the year ended 30 June 2017 on pages five to fourteen. 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.

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its loss 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Wilkins Kennedy LLP

Anil Kapoor (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

Date: 26 March 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 £	2016 £
TURNOVER		**5,400,206**	6,756,993
Cost of sales		**2,060,128**	3,214,557
GROSS PROFIT		**3,340,078**	3,542,436
Administrative expenses		**3,030,316**	3,549,611
OPERATING PROFIT/(LOSS)	4	**309,762**	(7,175)
Intercompany loan waiver	5	**1,977,262**	-
		(1,667,500)	(7,175)
Interest receivable and similar income		**82**	586
		(1,667,418)	(6,589)
Interest payable and similar expenses		**962**	963
LOSS BEFORE TAXATION		**(1,668,380)**	(7,552)
Tax on loss	6	**46,026**	-
LOSS FOR THE FINANCIAL YEAR		**(1,714,406)**	(7,552)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(1,714,406)**	(7,552)

All above activities relate to continuing operations in the current and prior year.

The notes form part of these financial statements

CASPIAN MEDIA LIMITED (REGISTERED NUMBER: 03157774)

BALANCE SHEET
30 JUNE 2017

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Tangible assets	7		**59,016**		80,382
Investments	8		**4**		4
			59,020		80,386
CURRENT ASSETS					
Stocks		**3,508**		2,562	
Debtors	9	**847,683**		3,042,456	
Cash in hand		**395,186**		584,854	
		1,246,377		3,629,872	
CREDITORS					
Amounts falling due within one year	10	**2,060,977**		2,751,432	
NET CURRENT (LIABILITIES)/ASSETS			**(814,600)**		878,440
TOTAL ASSETS LESS CURRENT LIABILITIES			**(755,580)**		958,826
PROVISIONS FOR LIABILITIES	12		**64,000**		64,000
NET (LIABILITIES)/ASSETS			**(819,580)**		894,826
CAPITAL AND RESERVES					
Called up share capital			**131,756**		131,756
Share premium			**410,338**		410,338
Retained earnings			**(1,361,674)**		352,732
SHAREHOLDERS' FUNDS			**(819,580)**		894,826

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 March 2018 and were signed on its behalf by:

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S J Woollett - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 July 2015	131,756	360,284	410,338	902,378
Changes in equity				
Total comprehensive income	-	(7,552)	-	(7,552)
Balance at 30 June 2016	131,756	352,732	410,338	894,826
Changes in equity				
Total comprehensive income	-	(1,714,406)	-	(1,714,406)
Balance at 30 June 2017	131,756	(1,361,674)	410,338	(819,580)

1. STATUTORY INFORMATION

Caspian Media Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company specialises in print and digital magazine publishing, contract publishing and conference and events management.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland" and the Companies Act 2006.

The presentation currency of the financial statements is the Pound Sterling (£). This is also the functional currency of the company.

Going concern
The company made a loss after tax of £1,714,406 for the year ended 30 June 2017 and, at that date the company had net current liabilities of £814,600. The loss arose due to the exceptional item disclosed in note 13.

The company meets its day to day working capital requirements from trading receipts. The nature of the business is such that a significant amount of its sales are paid in advance by its customers, providing the company with the funds to pay its liabilities as they fall due. This working capital cycle is carefully managed by the use of weekly and annual cashflow forecasts. Having reviewed the cash flow forecasts after the year end, the directors are satisfied that the company will continue to be able to meet its liabilities as they fall due for a period of at least a year from the date of signing the financial statements. They therefore continue to adopt the going concern basis in the preparation of the financial statements.

Significant judgements and estimates
The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these financial statements, the following judgements, made by the directors in applying the above accounting policies, have had the most significant effect on the amounts recognised in the financial statements.

1. Determine whether trade debtors are recoverable. Factors taken into consideration include the expected recovery, the number of days overdue, the creditworthiness of the customer.

2. Determine the residual value of and economic useful life of tangible fixed assets in order to depreciate the assets appropriately. In making assessment of the asset life, factors such as product life cycle, expected maintenance. Residual value assessments consider issues such as future market conditions and remaining life.

continued...

2. **ACCOUNTING POLICIES - continued**

Turnover
Turnover is recognised to the extent that is it probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services
Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

- Advertising (print-based and online) income is recognised when the relevant publication is distributed or the campaign is run.
- 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.

Tangible fixed assets
Tangible fixed assets at stated at cost less depreciation and impairment in valuation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	-	20% on cost
Computer equipment	-	25% on cost

Investments in subsidiaries
Investments in subsidiary undertakings are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Stocks
Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

Trade and other receivables
Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the effective interest rate. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Trade and other payables
Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at the effective interest rate. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Provision for dilapidation
A provision for the estimated costs to restore the office to its initial condition (i.e. a dilapidation provision) is recognised in the financial statements. The company engaged the services of a firm of chartered surveyors to quantify the provision.

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2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

3. **EMPLOYEES AND DIRECTORS**

	2017	2016
	£	£
Wages and salaries	**1,934,952**	2,647,555
Social security costs	**235,714**	261,512
Other pension costs	**31,742**	36,348
	2,202,408	2,945,415

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

	2017	2016
Management and finance	**10**	8
Editorial and design	**23**	24
Conference and events	**5**	6
Sales and marketing	**13**	18
Online publishing	**1**	6
	52	62

continued...

4. OPERATING PROFIT/(LOSS)

The operating profit (2016 - operating loss) is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	44,993	42,636
Auditors' remuneration	14,600	8,087
Exchange differences	(15,941)	3,529
Other operating lease rentals - plant and machinery	18,467	19,131
Other operating lease rentals - other operating leases	143,827	143,739
Defined contribution pension cost	31,742	36,348

5. EXCEPTIONAL ITEMS

	2017	2016
	£	£
Intercompany loan waiver (see note 13)	(1,977,262)	-

6. TAXATION

Analysis of the tax charge
The tax charge on the loss for the year was as follows:

	2017	2016
	£	£
Deferred tax	46,026	-
Tax on loss	46,026	-

UK corporation tax was charged at 20% in 2016.

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017	2016
	£	£
Loss before tax	(1,668,380)	(7,552)
Loss multiplied by the standard rate of corporation tax in the UK of 19.750% (2016 - 20%)	(329,505)	(1,510)
Effects of:		
Expenses not deductible for tax purposes	(17,221)	6,894
Capital allowances in excess of depreciation	-	(4,685)
Utilisation of tax losses	-	(31,212)
Other timing differences leading to an increase (decrease) in taxation	2,243	30,630
Group relief	-	(117)
Intercompany loan waiver	390,509	-
Total tax charge	46,026	-

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7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 July 2016	39,717	552,100	591,817
Additions	1,138	26,978	28,116
At 30 June 2017	40,855	579,078	619,933
DEPRECIATION			
At 1 July 2016	35,890	475,545	511,435
Charge for year	4,045	45,437	49,482
At 30 June 2017	39,935	520,982	560,917
NET BOOK VALUE			
At 30 June 2017	920	58,096	59,016
At 30 June 2016	3,827	76,555	80,382

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Computer equipment £
COST	
At 1 July 2016	17,118
Transfer to ownership	(17,118)
At 30 June 2017	-
DEPRECIATION	
At 1 July 2016	6,223
Charge for year	4,489
Transfer to ownership	(10,712)
At 30 June 2017	-
NET BOOK VALUE	
At 30 June 2017	-
At 30 June 2016	10,895

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2016 and 30 June 2017	4
NET BOOK VALUE	
At 30 June 2017	4
At 30 June 2016	4

continued...

8. FIXED ASSET INVESTMENTS - continued

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Real Business Limited	Ordinary	100%	Dormant
Real Deals Limited	Ordinary	100%	Dormant

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	284,050	676,050
Amounts owed by group undertakings	-	1,822,863
Other debtors	30,000	121,387
Deferred tax asset	93,974	140,000
Prepayments and accrued income	439,659	282,156
	847,683	3,042,456

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Hire purchase contracts (see note 11)	-	6,851
Trade creditors	425,200	605,923
Amounts owed to group undertakings	2,400	-
Social security and other taxes	112,596	160,276
Other creditors	350,720	319,701
Accruals and deferred income	200,507	478,128
Deferred income	969,554	1,180,553
	2,060,977	2,751,432

11. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	Hire purchase contracts	
	2017	2016
	£	£
Net obligations repayable:		
Within one year	-	6,851

Minimum lease payments under non-cancellable operating leases as follows:

	2017	2016
	£	£
Within one year	90,252	160,652
Between one and five years	58,778	149,808
In more than five years	-	1,052
	70,400	211,200

12. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Other provisions	64,000	64,000

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12. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £	Dilapidation provision £
Balance at 1 July 2016	(140,000)	64,000
Charge to Statement of Comprehensive Income during year	46,026	-
Balance at 30 June 2017	(93,974)	64,000

13. RELATED PARTY DISCLOSURES

During the year under review, the company waived a loan of £1,977,262 which was owed by Caspian Media Holdings Limited. Caspian Media Limited was a wholly owned subsidiary of Caspian Media Holdings Limited until 13 April 2017.

During the year under review, the directors agreed to waive their bonus accrual of £150,186, as a result of the sale of the company prior to the year end. This amount was credited to the income statement in the current year.