Company Registration No. 03393234 (England and Wales)

APL MEDIA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2016

APL MEDIA LIMITED

COMPANY INFORMATION

Directors	P D Levinger A Leyens A D Weiner M E Jackson M Pieri
Secretary	P D Levinger & C Rollo
Company number	03393234
Registered office	30 City Road London EC1Y 2AB
Auditor	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB
Business address	Suite 310 Highgate Studios 53-79 Highgate Road London NW5 1TL
Solicitors	Teacher Stern LLP 37 - 41 Beford Row London United Kingdom WC1R 4JH

APL MEDIA LIMITED

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APL MEDIA LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JANUARY 2016

The directors present the strategic report and financial statements for the year 31 January 2016.

Fair review of the business
The accounts reflect a year of transition for the business since moving to its new Highgate Studios in Kentish Town. The loss for the year includes additional costs caused by the change in directors' remuneration policy and one off overseas direct costs ($ related) which have been identified after extensive reviews by our new financial controller. Overall this amount to approximately £250k of one off costs and will not be repeated.

The combination of new and more sophisticated accounting software, together with the appointment of a highly experienced Financial Controller have greatly improved the company's internal controls and management information is now being produced in a more timely manner.

Cash flow has continued its positive trend with over £8m being collected and a net increase in cash in the year, despite the loss, of approximately £17k. Loans and other borrowings of approximately £137k have been repaid during the year.

The Directors are confident that the company is on course and well placed to achieve its target net profit in excess of £400k for the year to 31 January 2017.

Principal risks and uncertainties
The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans to the company. The main purpose of the instruments is to raise funds to finance the company's operations. Due to the nature of the financial instruments used by the company there is no exposure to price risk.

In respect of bank balances, the liquidity risk is managed carefully budgeting to ensure no shortfall arises.

Trade debtors are managed in respect of credit and cash flow risk by ensuring that both credit limits and amounts outstanding are regularly monitored.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

A new challenge faces the company post Brexit. US$ denominated costs and associated US$ revenue has added an extra complication to trading in the USA. Our review of the impact indicates a reduction in net profit of £20k for the year to 31 January 2017.

Key performance indicators
The key financial highlights are as follows:

	2016	**2015**
	£	£
Turnover	7,813,030	7,423,894
Gross profit	876,317	1,505,098

On behalf of the board

M E Jackson
Director
31 October 2016

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2016

The directors present their report and financial statements for the year 31 January 2016.

Principal activities
The principal activity of the company is that of publishing magazines relating to the travel and leisure industries.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P D Levinger
A Leyens
A D Weiner
M E Jackson
M Pieri

Results and dividends
The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £27,107 (2015: £199,662). The directors do not recommend payment of a final dividend.

The directors acknowledge that dividends have been paid in the year without sufficient distributable reserves. They confirm that no further dividends will be paid until there are distributable reserves to do so.

Future developments
The company has continued to invest in new developments and a number of exciting areas such as eCommerce and Video advertising have already contributed over £100k in additional margin in the year to 31 January 2017 to date.

We are examining ways to grow our relationship with National Geographic which could include additional events such as a 'festival'. We are also planning to launch a new food magazine as well as an iNewspaper joint venture.

Auditor
In accordance with the company's articles, a resolution proposing that Arram Berlyn Gardner LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual 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 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 of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

M E Jackson
Director
31 October 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APL MEDIA LIMITED

We have audited the financial statements of APL Media Limited for the year ended 31 January 2016 set out on pages 6 to 28. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 set out on pages 2 - 3, 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 annual 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 31 January 2016 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.

Opinion on other matters 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.

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.

Gary Jackson (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP

31 October 2016

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

APL MEDIA LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	2016 £	2015 £
Turnover	3	7,813,030	7,423,894
Cost of sales		(6,936,713)	(5,918,796)
Gross profit		876,317	1,505,098
Administrative expenses		(1,379,464)	(1,445,577)
Operating (loss)/profit	4	(503,147)	59,521
Interest receivable and similar income	7	1,120	-
Interest payable and similar charges	8	(20,885)	(29,139)
(Loss)/profit before taxation		(522,912)	30,382
Taxation	9	4,903	(39,343)
Loss for the financial year	26	(518,009)	(8,961)

The income statement has been prepared on the basis that all operations are continuing operations.

APL MEDIA LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	11		11,280		14,100
Tangible assets	12		233,964		256,500
Investments	13		100		100
			245,344		270,700
Current assets					
Stocks	16	16,400		19,194	
Debtors	17	2,313,695		2,206,986	
Cash at bank and in hand		14,238		6,133	
		2,344,333		2,232,313	
Creditors: amounts falling due within one year	18	(2,761,746)		(1,997,063)	
Net current (liabilities)/assets			(417,413)		235,250
Total assets less current liabilities			(172,069)		505,950
Creditors: amounts falling due after more than one year	19		(298,000)		(426,000)
Provisions for liabilities	23		(34,440)		(39,343)
Net (liabilities)/assets			(504,509)		40,607
Capital and reserves					
Called up share capital	25		76,285		76,285
Profit and loss reserves	26		(580,794)		(35,678)
Total equity			(504,509)		40,607

The financial statements were approved by the board of directors and authorised for issue on 31 October 2016 and are signed on its behalf by:

M E Jackson
Director

Company Registration No. 03393234

APL MEDIA LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 February 2014		76,285	172,945	249,230
Year ended 31 January 2015:				
Loss and total comprehensive income for the year		-	(8,961)	(8,961)
Dividends	10	-	(199,662)	(199,662)
Balance at 31 January 2015		76,285	(35,678)	40,607
Year ended 31 January 2016:				
Loss and total comprehensive income for the year		-	(518,009)	(518,009)
Dividends	10	-	(27,107)	(27,107)
Balance at 31 January 2016		76,285	(580,794)	(504,509)

APL MEDIA LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	**30**		320,013		490,470
Interest paid			(20,885)		(29,139)
Income taxes paid			(14,550)		(25,617)
Net cash inflow from operating activities			284,578		435,714
Investing activities					
Purchase of tangible fixed assets		(64,307)		(196,727)	
Proceeds on disposal of tangible fixed assets		29,996		-	
Purchase of subsidiaries		-		(100)	
Other investments and loans made		(74,168)		-	
Proceeds from other investments and loans		(1,120)		-	
Interest received		1,120		-	
Net cash used in investing activities			(108,479)		(196,827)
Financing activities					
Repayment of borrowings		(24,000)		36,000	
Repayment of bank loans		(104,000)		494,000	
Payment of finance leases obligations		(3,780)		3,780	
Dividends paid		(27,107)		(199,662)	
Net cash (used in)/generated from financing activities			(158,887)		334,118
Net increase in cash and cash equivalents			17,212		573,005
Cash and cash equivalents at beginning of year			(134,216)		(707,221)
Cash and cash equivalents at end of year			(117,004)		(134,216)
Relating to:					
Cash at bank and in hand			14,238		6,133
Bank overdrafts included in creditors payable within one year			(131,242)		(140,349)

1 Accounting policies

Company information

APL Media Limited is a company limited by shares incorporated and registered in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 January 2016 are the first financial statements of APL Media Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 February 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 31.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the balance sheet date, the company had net current liabilities totalling £417,413 (2015 net current assets: £235,250) and net liabilities of £504,509 (2015 net assets: £40,607).

Although the company has net liabilties, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and, continues to retain the support of the Company bankers and shareholders. Consequently, the directors continue to prepare the accounts under the going concern basis with no adjustment that might otherwise be necessary, should that support be withdrawn.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Revenues for the various categories of turnover are recognised as follows:

- Advertising revenue (including barter transactions), newspaper, magazine inserts and magazine content fees on publication
- Magazine sales when sold
- Subscriptions fees when received from third parties
- Hotel rooms when sold
- Online advertising when published on the website
- Online newsletters when sent out

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1 Accounting policies **(Continued)**

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Magazine Titles	20% Reducing balance

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leashold improvements	Straight line over the term of the lease
Computer and Office Equipment	20% Reducing balance
Office Furniture	15% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.16 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.17 Barter transactions

Advertising provided in exchange for hotel rooms, which are subsequently sold for cash, are included in Sales and Cost of Sales at the amount at which they are subsequently sold on for.

1 Accounting policies **(Continued)**

1.18 Preference shares

Preference shares are classified and accounted for, according to the substance of the contractual arrangement, as either financial liabilities or equity instruments.

1.19 Dividends

The directors acknowledge that dividends have been paid in the year without sufficient distributable reserves. They confirm that no further dividends will be paid until there are distributable reserves to do so.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible assets

Accounting for tangible assets involves the use of estimates and judgements for determining the useful lives over which these are to be depreciated and the existence and amount of any impairment.

Tangible assets are depreciated on a reducing balance or straight line basis over their estimated useful lives and taking into account their expected residual values. When the Company estimates useful lives, various factors are considered including expected technological obsolescence and the expected usage of the asset.

The Directors regularly review these asset lives and change them as necessary to reflect the estimated current remaining lives in light of technological changes, future economic utilisation and physical condition of the assets concerned. A significant change in asset lives can have a significant change on depreciation and amortisation charges for the period.

Taxation

The Company evaluates the recoverability of deferred tax assets based on estimates of future earnings. The ability to recover these taxes depends ultimately on the Company's ability to generate taxable earnings over the course of the period for which the deferred tax assets remain deductible. This analysis is based on the estimated reversal of deferred taxes as well as estimates of taxable earnings, which are sourced from internal projections and are updated to reflect the latest trends.

The appropriate classification of tax assets and liabilities depends on a number of factors, including estimates as to the timing and materialisation of deferred tax assets and the forecast tax payment schedule. Actual income tax receipts and payments could differ from the estimates made by Company as a result of changes in tax legislation or unforeseen transactions that could affect tax balances.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016	2015
	£	£
Turnover		
Magazine publishing and associated revenues	7,813,030	7,423,894

Other significant revenue		
Interest income	1,120	-

Turnover analysed by geographical market

	2016	2015
	£	£
United Kingdom	4,787,273	4,548,292
EU	756,851	878,011
Non-EU	2,268,906	1,997,591
	7,813,030	7,423,894

4 Operating (loss)/profit

	2016	2015
Operating (loss)/profit for the year is stated after charging/(crediting):	£	£
Exchange losses	8,725	12,341
Fees payable to the company's auditor for the audit of the company's financial statements	21,000	28,000
Depreciation of owned tangible fixed assets	30,722	77,611
Depreciation of tangible fixed assets held under finance leases	2,268	2,268
Loss on disposal of tangible fixed assets	23,857	-
Amortisation of intangible assets	2,820	4,518
Operating lease charges	157,251	199,030

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Management	3	3
Sales	29	30
Editorial	26	21
Adminstration	9	8
	67	62

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	3,296,643	2,820,197
Social security costs	294,993	235,287
Pension costs	16,567	6,492
	3,608,203	3,061,976

6 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	273,025	92,765

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2016 £	2015 £
Remuneration for qualifying services	97,306	62,240

7 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Other interest income	1,120	-

8 Interest payable and similar charges

	2016	2015
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	16,730	19,250
Other interest on financial liabilities	403	7,415
	17,133	26,665
Other finance costs:		
Other interest	3,752	2,474
	20,885	29,139

9 Taxation

	2016	2015
	£	£
Deferred tax		
Origination and reversal of timing differences	(4,903)	39,343

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	£	£
(Loss)/profit before taxation	(522,912)	30,382
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	(104,582)	6,076
Tax effect of expenses that are not deductible in determining taxable profit	8,730	12,212
Unutilised tax losses carried forward	97,980	-
Permanent capital allowances in excess of depreciation	(7,055)	(23,018)
Other tax adjustments	4,927	4,730
Deferred tax	(4,903)	39,343
Tax expense for the year	(4,903)	39,343

The company has estimated losses of £490,000 available for carry forward against future trading profits.

10 Dividends

	2016	2015
	£	£
Interim paid	27,107	199,662

APL MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

11 Intangible fixed assets

	Goodwill	Magazine Titles	Total
	£	£	£
Cost			
At 1 February 2015 and 31 January 2016	10,000	86,020	96,020
Amortisation and impairment			
At 1 February 2015	10,000	71,920	81,920
Amortisation charged for the year	-	2,820	2,820
At 31 January 2016	10,000	74,740	84,740
Carrying amount			
At 31 January 2016	-	11,280	11,280
At 31 January 2015	-	14,100	14,100

12 Tangible fixed assets

	Leasehold improvements	Computer and Office Equipment	Office Furniture	Total
	£	£	£	£
Cost				
At 1 February 2015	119,858	426,688	67,217	613,763
Additions	180	51,323	12,804	64,307
Disposals	(29,996)	(305,229)	(38,230)	(373,455)
At 31 January 2016	90,042	172,782	41,791	304,615
Depreciation and impairment				
At 1 February 2015	3,000	310,908	43,355	357,263
Depreciation charged in the year	8,250	19,000	5,740	32,990
Eliminated in respect of disposals	-	(287,455)	(32,147)	(319,602)
At 31 January 2016	11,250	42,453	16,948	70,651
Carrying amount				
At 31 January 2016	78,792	130,329	24,843	233,964
At 31 January 2015	116,858	115,780	23,862	256,500

12 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2016	2015
	£	£
Computer and Office Equipment	4,537	6,805
Depreciation charge for the year in respect of leased assets	2,268	2,268

13 Fixed asset investments

	Notes	2016	2015
		£	£
Investments in subsidiaries	14	100	100

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 February 2015 & 31 January 2016	100
Carrying amount	
At 31 January 2016	100
At 31 January 2015	100

14 Subsidiaries

Details of the company's subsidiay at 31 January 2016 is as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct	% Held Indirect
Absolute Publishing Limited	England and Wales	Dormant	Ordinary	100.00	

14 Subsidiaries (Continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Absolute Publishing Limited	-	100

15 Financial instruments

	2016	2015
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,924,156	1,769,440
Equity instruments measured at cost less impairment	100	100
Carrying amount of financial liabilities		
Measured at amortised cost	1,671,936	1,563,609

16 Stocks

	2016	2015
	£	£
Finished goods and goods for resale	16,400	19,194

Stock is stated after provisions for impairment of £nil (2015: £nil).

There is no significant difference between the replacement cost of finished goods and their carrying amounts.

17 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	1,646,990	1,672,008
Other debtors	262,928	91,299
Prepayments and accrued income	403,777	443,679
	2,313,695	2,206,986

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Trade debtors are stated after provisions for impairment of £45,413 (2015: £77,605).

18 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Bank loans and overdrafts	**20**	235,242	244,349
Obligations under finance leases	**21**	-	3,780
Other borrowings	**20**	93,800	93,800
Trade creditors		1,009,853	683,104
Corporation tax		-	14,550
Other taxation and social security		335,590	212,807
Other creditors		35,041	112,576
Accruals and deferred income		1,052,220	632,097
		2,761,746	1,997,063

Bank loans and overdrafts of £235,242 (2015: £244,349) are secured by a fixed and floating charge over the assets of the company.

Included in other creditors is £nil (2015: £40,000) secured by a first charge over the company's intellectual property and a floating charge over the other assets of the company.

19 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Bank loans and overdrafts	**20**	286,000	390,000
Other borrowings	**20**	12,000	36,000
		298,000	426,000

Bank loans of £286,000 (2015; £390,000) are secured by a fixed and floating charge over the assets of the company.

20 Loans and overdrafts

	2016 £	2015 £
Bank loans	390,000	494,000
Bank overdrafts	131,242	140,349
Preference shares	93,800	93,800
Other loans	12,000	36,000
	627,042	764,149
Payable within one year	329,042	338,149
Payable after one year	298,000	426,000

20 Loans and overdrafts **(Continued)**

The Redeemable Preference shares do not confer any right to the holder to vote at any general meeting of the company and are redeemable at par at the discretion of the company. The holders of the redeemable preference shares are entitled to receive a fixed 7% preferential dividend each year, where the company has profits available.

21 Finance lease obligations

	2016	2015
Future minimum lease payments due under finance leases:	£	£
Within one year	-	3,780

22 Provisions for liabilities

		2016	2015
		£	£
Deferred tax liabilities	23	34,440	39,343
		34,440	39,343

23 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016	Liabilities 2015
Balances:	£	£
Accelerated capital allowances	34,440	39,343

	2016
Movements in the year:	£
Liability at 1 February 2015	39,343
Credit to profit or loss	(4,903)
Liability at 31 January 2016	34,440

The deferred tax liability set out above is expected to reverse and relates to accelerated capital allowances that are expected to mature within the same period.

24 Retirement benefit schemes

	2016	2015
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	16,567	6,492

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £16,567 (2015 - £6,492).

25 Share capital

	2016	2015
	£	**£**
Ordinary share capital		
Issued and fully paid		
1,285 Ordinary shares of £1 each	1,285	1,285
75,000 'B' Ordinary shares of £1 each	75,000	75,000
	76,285	76,285

26 Profit and loss reserves

	2016	2015
	£	**£**
At the beginning of the year	(35,678)	172,945
Loss for the year	(518,009)	(8,961)
Dividends	(27,107)	(199,662)
At the end of the year	(580,794)	(35,678)

Retained earnings represents accumulated comprehensive income for the year and prior periods less dividends paid.

27 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016	2015
	£	£
Within one year	203,805	207,533
Between two and five years	634,867	647,386
In over five years	1,136,307	1,284,521
	1,974,979	2,139,440

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016	2015
	£	£
Aggregate compensation	273,025	92,765

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of goods	
	2016	2015
	£	£
Entites with common control	66,116	104,553
Other related parties	33,123	28,555
	99,239	133,108

	Interest		Reimbursed expenses	
	2016	2015	2016	2015
	£	£	£	£
Entites with common control	403	7,415	-	-
Key management personnel	3,752	1,653	35,634	103,284
	4,155	9,068	35,634	103,284

28 Related party transactions **(Continued)**

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2016		Amounts owed by related parties 2015	
	Balance	Net	Balance	Net
	£	£	£	£
Entites with common control	150,408	150,408	12,101	12,101
	150,408	150,408	12,101	12,101

Guarantees

P D Levinger, A Leyens, M E Jackson and A D Welner, directors of the company, have provided personal guarantees, which are partly secured against personal assets, for the company's bank loan and overdraft in total £475,000 (2015: £475,000).

29 Directors' transactions

The following directors received loans during the year. The movement on these loans was as follows:

Description	% Rate	Opening Balance	Amounts Advanced	Interest Charged	Amounts Repaid	Closing Balance
		£	£	£	£	£
A Leyens	3.00	(10,082)	50,061	602	-	40,581
M E Jackson	3.00	(7,879)	42,068	518	-	34,707
		(17,961)	92,129	1,120	-	75,288

The maximum balances outstanding in the year were the balances at the year end date.

Since the year end, these balances have been repaid in full to the company.

30 Cash generated from operations

	2016	2015
	£	£
Loss for the year after tax	(518,009)	(8,961)
Adjustments for:		
Taxation (credited)/charged	(4,903)	39,343
Finance costs	20,885	29,139
Investment income	(1,120)	-
Loss on disposal of tangible fixed assets	23,857	-
Amortisation and impairment of intangible assets	2,820	4,518
Depreciation and impairment of tangible fixed assets	32,990	79,879
Movements in working capital:		
Decrease/(increase) in stocks	2,794	(5,405)
(Increase)/decrease in debtors	(31,421)	123,754
Increase in creditors	792,120	228,203
Cash generated from operations	320,013	490,470

31 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 February 2014	31 January 2015
	£	£
Equity as reported under previous UK GAAP and under FRS 102	249,230	40,607

Reconciliation of loss for the financial period

	2015
	£
Loss as reported under previous UK GAAP and under FRS 102	(8,961)

Notes to reconciliations on adoption of FRS 102

There are no material FRS 102 transaction adjustments in respect of the transitional and comparative periods.

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