

Ocean Media Holdings Limited
Annual report and financial statements
for the 52 week period ended 27 December 2015

Registered number: 05865756

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Ocean Media Holdings Limited

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Ocean Media Holdings Limited

Directors and advisors

Directors

David Moran

David Watt

Registered office

21st Floor

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Canary Wharf

London

E14 5AP

Lawyers

Eversheds LLP

1 Wood Street

London

EC2V 7WS

Independent auditors

Deloitte LLP

Chartered Accountants and Statutory Auditor

London

United Kingdom

Ocean Media Holdings Limited

Directors' report for the 52 week period ended 27 December 2015

The directors present their annual report and the audited financial statements of the company for the 52 week period ended 27 December 2015. The comparative information is for the 52 week period ended 28 December 2014.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and consequently no Strategic Report is presented.

The intermediate holding undertaking and direct controlling party of the company during the 52 week period from 28 December 2014 to 27 December 2015 was Farraige Media Limited. The ultimate holding company transferred from Ion Equity Nominees Limited to Lonsdale Capital Partners Limited at 16 October 2015. Further detail is set out in note 11.

Principal activities

The principal activity of the Company is to act as a holding company and as such the Company does not trade. The principal activity of the Company's investments is to act as a magazine publisher and exhibition organiser in a number of market sectors. The subsidiaries are engaged in both trade and consumer activities within a number of different markets. These include social housing, bridal and weddings.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. These risks are monitored on an ongoing basis by the executive management who report them to the Board.

The key business risks are:

- Competition - the Company has a number of well established market leading positions in different media sectors. These are highly competitive market places and require continual focus on customer needs and innovation. This is particularly relevant during an economic downturn.
- Economic growth in the UK - the Company derives a significant proportion of income from advertising revenue generated in the UK. This revenue continues to be under pressure due to the global economic downturn.
- Accelerated online migration of recruitment, classified and display advertising revenues, mitigated by the Company's development of digital income streams.
- People – the Company benefits from an experienced community of editors, business managers, sales executives and other professionals but faces margin exposure if sector wage costs increase at above inflation rates in an environment where media spend tracks general inflation.
- Disaster recovery - the Company operates from two sites in Canary Wharf and Coventry and has appropriate cloud back up facilities for key data. Nevertheless it remains exposed to disruption in terms of people, data and systems from an incident affecting either of its sites.
- Contractor pricing - the Company is committed to a number of long term contracts with suppliers of venues where annual price increases may increase at above inflation rates. This could give rise to margin exposure in the current climate where media spend and therefore revenues track general inflation.

Ocean Media Holdings Limited

Directors' report for the 52 week period ended 27 December 2015 (continued)

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and cash flow risk. The Company does not use derivative financial instruments.

Credit risk

The Company's principal financial assets are trade, intercompany and other receivables. The Company's credit risk is primarily attributable to these receivables. The Company manages its financial risk by minimising the credit risk relating to its trade receivable. The Company does this by means of agreed credit control procedures including monitoring exposure to individual customers against set exposure limits. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the assets.

Cash flow risk

The Company's activities expose it primarily to the financial risks of working capital requirement primarily in relation to the management of cash flow. The Company manages this risk through efficient and timely cash collection, and by short-term cash

Going concern

The financial statements of the company have been prepared on the going concern basis after consideration of the Company's balance sheet position at the end of the period, the financial performance and the future forecast trading of the Company's subsidiaries.

Dividends and transfer to reserves

The directors do not recommend the payment of a dividend in respect of the 52 week period ended 27 December 2015 (52 week period ending 28 December 2014: £nil). The profit for the Company for the 52 week period of £182,346 (52 week period ending 28 December 2014: profit of £206,858) has been transferred to reserves.

Directors' and officers' liability insurance

During the period, the Company has maintained cover for its directors and officers under a directors' and officers' liability insurance policy and the Third Party indemnity was in force during the financial 52 week period and also at the date of approval of the financial statements.

Directors

The directors who held office during the 52 week period ended 27 December 2015 and up to the date of signing the financial statements are given below:

David Moran

David Watt

Ulric Kenny (terminated 17 October 2015)

Ocean Media Holdings Limited

Directors' report for the 52 week period ended 27 December 2015 (continued)

Directors' responsibilities statement

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 52 week period. Under that law the directors have prepared 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;
- state whether applicable UK Accounting Standards have been followed; and
- 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 of information to auditors

In the case of each of the persons who are directors at the time when the report is approved under Section 418 of the Companies Act 2006 the following applies:

- a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- b) each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed by order of the Board.



David Watt
Director

4 April 2016

Independent auditor's report to the members of Ocean Media Holdings Limited

We have audited the financial statements of Ocean Media Holdings Limited for the 52 week period ended 27 December 2015 which comprises the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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 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 27 December 2015 and of its profit for the 52 week period 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 Directors' Report for the financial 52 week period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Ocean Media Holdings Limited (continued)

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.
- the directors were not entitled to take advantage of the small companies' exemption from preparing a Strategic Report or in preparing the Directors' Report.



Dan Wells (Senior statutory auditor)

For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

4 April 2016

Ocean Media Holdings Limited

Profit and loss account for the 52 week period ended 27 December 2015

	Note	52 week period ended 27 December 2015 £'000	52 week period ended 28 December 2014 £'000
Administrative expenses		-	-
Operating profit		-	-
Interest receivable and similar income	3	182	207
Profit on ordinary activities before taxation	2	182	207
Tax on profit on ordinary activities	4	-	-
Profit for the financial 52 week period	9	182	207

All results relate to continuing operations.

The company has no recognised gains or losses for the current financial period or prior financial period other than those included above and accordingly no statement of total recognised gains and losses has been presented.

There is no material difference between the reported profit on ordinary activities before taxation and the retained profit for the financial periods stated above and their historical cost equivalents.

The notes on pages 9 to 15 form an integral part of these financial statements.

Ocean Media Holdings Limited

Balance sheet as at 27 December 2015

	Note	27 December 2015 £'000	28 December 2014 £'000
Fixed assets			
Investments	5	12,471	12,471
		12,471	12,471
Current assets			
Debtors	6	3,624	3,447
Cash at bank and in hand		5	-
Creditors: amounts falling due within one 52 week period		-	-
Net current assets		3,629	3,447
Total assets less current liabilities		16,100	15,918
Net assets		16,100	15,918
Capital and reserves			
Called up share capital	7	23,184	23,184
Share premium	8	23,184	23,184
Profit and loss reserve	9	(30,268)	(30,450)
Total shareholder's funds	10	16,100	15,918

The notes on pages 9 to 15 form an integral part of these financial statements.

The financial statements were approved by the board of directors on 4 April 2016 and were signed on its behalf by:



David Watt
Director

Ocean Media Holdings Limited

Registered Number: 05865756

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The financial statements are prepared on a 52 week period to the Sunday prior to 31 December each year. A summary of the principal accounting policies, which have been consistently applied in the current period and in the prior period, is set out below.

Consolidation

These financial statements include solely the results and financial position of the Company. The Company is exempt under s400 of the Companies Act 2006 from preparing consolidated financial statements on the grounds that it itself is a wholly owned subsidiary of Farraige Media Limited, a company incorporated in England and Wales. The Company is included in the consolidated financial statements of Farraige Media Limited drawn up to 27 December 2015.

Cash flow statement

The company is not presenting a cash flow statement in accordance with the exemption in Financial Reporting Statement Number 1 (Revised 1996) – 'Cash Flow Statements', as its parent company, Farraige Media Limited has included a consolidated cash flow statement in its group financial statements.

Going concern

The financial statements of the company have been prepared on the going concern basis after consideration of the Company's balance sheet position at the end of the period, the financial performance and the future forecast cash flows. Accounting policies (continued)

Investments

Fixed asset investments are stated at cost unless, in the opinion of the directors, there has been any impairment in value, in which case an appropriate provision is made.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the rates enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

2 Profit on ordinary activities before taxation

Audit fees in the 52 week period of £6,000 (52 week period ended 28 December 2014: £3,000) and non-audit fees of £nil (52 week period ended 28 December 2014: £nil) have been borne and not recharged by a fellow group company.

There are no employees of the company other than the Directors in either period. The Directors' emoluments have been borne by another Group entity for both periods.

3 Interest receivable and similar income

	52 week period ended 27 December 2015 £'000	52 week period ended 28 December 2014 £'000
Interest receivable on inter-company loans	182	207

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

4 Tax on profit on ordinary activities

The tax charge in the consolidated profit and loss account is analysed as follows:

	52 week period ended 27 December 2015 £'000	52 week period ended 28 December 2014 £'000
Current tax		
United Kingdom		
Corporation tax at 20.25% (2014: 21.5%)	-	-
Adjustments in respect of prior periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences:		
United Kingdom	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	-	-

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

4 Tax on profit on ordinary activities (continued)

Reconciliation of current tax charge

The tax assessed for the period is lower than the standard effective rate of corporation tax in the UK for the 52 week period ended 27 December 2015 of 20.25% (52 week period ended 28 December 2014: 21.5%). The differences are explained below:

	52 week period ended 27 December 2015 £'000	52 week period ended 28 December 2014 £'000
Profit on ordinary activities before tax	182	207
Profit on ordinary activities multiplied by standard rate in the UK 20.25% (2014: 21.5%)	37	44
Effects of:		
Utilised tax losses	(37)	(44)
Current tax for the period	-	-

Factors affecting future tax charges

The Government reduced the main rate of corporation tax from 21% to 20% effective from 1 April 2015. This has led to a blended rate of 20.25% for the period from 29 December 2014 to 27 December 2015.

There was an unrecognised deferred tax asset of £7,559 at 27 December 2015 (28 December 2014: £300,533) which is not recognised due to limited profits being forecast in the foreseeable future. The asset consists of unutilised tax losses.

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

5 Investments

Investments in subsidiary undertakings – cost and net book value	£'000
At 28 December 2014	12,471
At 27 December 2015	12,471

Company interests in subsidiary undertakings

Direct shareholdings

Name of undertaking	Country of registration	Description of shares held	Proportion held by the company	Principal activity
Ocean Media Group Limited	England & Wales	Ordinary shares	100%	Exhibition organiser & magazine publisher
Ocean Media Events Limited	England & Wales	Ordinary shares	100%	Exhibition organiser
Ocean Media Exhibitions Limited	England & Wales	Ordinary shares	100%	Exhibition organiser & magazine publisher

The Company acquired Ocean Media Events Limited and Ocean Media Exhibitions Limited on 17 December 2012 from Ocean Media Group Limited for £400,000 and £1,200,000 respectively.

On 16 October 2015, the company disposed of its subsidiary Financial Information Company Limited as well as its indirect shareholding in Ocean Media Magazines Limited, Ocean Media GmbH and Sposatex B.V. all at the carrying values of £nil. A gain of £263,000 was recognised upon disposal in the financial statements of Ocean Media Group Limited, another group company, who held the direct shareholding.

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

6 Debtors

	27 December 2015 £'000	28 December 2014 £'000
Amounts due from group undertakings	3,624	3,447

The Company made a £4,800,000 loan to Ocean Media Group Limited on 18 January 2012 which attracts interest at a rate of 4% per annum. The amount outstanding at 27 December 2015 was £3,624,158 (2014: £3,446,786).

7 Called up share capital

	27 December 2015 £'000	28 December 2014 £'000
Allotted and fully paid		
23,184,177 ordinary shares of £1 each	23,184	23,184

All shares rank pari passu in all respects.

8 Share Premium

	27 December 2015 £'000	28 December 2014 £'000
At 28 December 2014 and 27 December 2015	23,184	23,184

Ocean Media Holdings Limited

Notes to the financial statements for the 52 week period ended 27 December 2015

9 Profit and loss reserve

	27 December 2015 £'000	28 December 2014 £'000
At 28 December 2014	(30,450)	(30,657)
Profit for the financial period	182	207
At 27 December 2015	(30,268)	(30,450)

10 Reconciliation of movements in total shareholder's funds

	27 December 2015 £'000	28 December 2014 £'000
Opening total shareholder's funds	15,918	15,711
Profit for the financial period	182	207
Closing total shareholder's funds	16,100	15,918

11 Ultimate parent undertaking

The company's immediate parent undertaking at the date of signing of the financial statements is Farraige Media Limited, a company registered in England and Wales.

The parent undertaking of the smallest and largest group to consolidate these financial statements is Farraige Media Limited. Copies of the Farraige Media Limited consolidated financial statements can be obtained from the Company Secretary at 21st Floor, Canary Wharf, One Canada Square, London E14 5AP.

Lonsdale Capital Partners Limited, a company registered in England and Wales, is the ultimate parent undertaking at the date of signing these Financial Statements, however this is a nominee company and not the beneficial owner of shares. The beneficial owners are a number of private companies registered in England and Wales, none of whom own a majority.

12 Related party transactions

As at the balance sheet date of 27 December 2015, the company is exempt from disclosing transactions and balances with wholly owned subsidiaries that are eliminated on consolidation under the terms of Financial Reporting Standard Number 8 – "Related Party Disclosures". As at the balance sheet date, Farraige Media Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements.