Company Registration No. 06246263 (England and Wales)

# Shortlist Media Limited

## Directors' report and financial statements

## for the period ended 31 March 2015

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## Shortlist Media Limited

## Company information

| | |
|---|---|
| **Directors** | T J Ewington<br>A R F Hall<br>P G Hilton<br>K A Marsden<br>M J Soutar<br>E Watson |
| **Secretary** | I Douglas |
| **Company number** | 06246263 |
| **Registered office** | Jubilee House<br>92 Lincoln Road<br>Peterborough<br>PE1 2SN |
| **Auditor** | Henderson Loggie<br>The Vision Building<br>20 Greenmarket<br>Dundee<br>DD1 4QB |
| **Bankers** | Barclays Bank plc<br>1 Church Street<br>Peterborough<br>PE1 1XE |

**Shortlist Media Limited**

## Contents


| | Page |
|---|---|
| Strategic report | 1 |
| Directors' report | 2 - 3 |
| Independent auditor's report | 4 - 5 |
| Profit and loss account | 6 |
| Balance sheet | 7 |
| Notes to the financial statements | 8 - 20 |

## Shortlist Media Limited

## Strategic report

## for the period ended 31 March 2015

The directors present the strategic report and financial statements for the period ended 31 March 2015.

### Review of the business

In January 2015, DC Thomson & Company Limited, one of the original investors, acquired the remaining share capital of the company and control of the business. In order that our reporting date is concurrent with Group, our year-end has changed and as a result these accounts for the 7 month period to 31 March 2015.

Turnover for this seven month period of £14.4m compares favourably with £13.5m for the same 7 month period last year, which represents revenue growth of 7%. The company has generated a pre-tax profit of £1.7m in this 7 month period. The directors are satisfied with the financial performance during the period and with the balance sheet position at 31 March 2015, which shows net assets of £7.36m.

Development and launch of original and compelling new brands remain central since we continue to see significant new opportunities. There will continue to be international development of the brands – both Stylist and ShortList will be launched in other geographical markets in the foreseeable future. Since the year-end, we have held our first large scale live event (Stylist Live) and expect this to be another significant development area for the company in the future.

### Principal risks and uncertainties

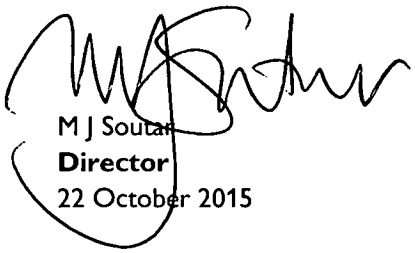
The principal risk facing the business is that wider macroeconcomic events could trigger an economic downturn which could impact on the level of advertising our key customers place with us. The company works very closely with its main customers to ensure it can react swiftly.

In order to cope with any potential downturn in any particular media market the company is working to extend its already influential brands eg. Stylist Live Event.

The company's principal financial instruments comprise cash, short-term deposits and an invoice discounting facility. Since the period-end, the invoice discounting facility has been repaid in full and is no longer in use.

The company trades with only recognised, creditworthy third parties. It is the company policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an on-going basis with the result that the company's exposure to bad debts is not significant.

On behalf of the board



M J Soutar
**Director**
22 October 2015

# Directors' report

## for the period ended 31 March 2015

The directors present their report and financial statements for the period ended 31 March 2015.

### Results and dividends

The results for the period are set out on page 6.

### Directors

The following directors have held office since 1 September 2014:

T J Ewington
A R F Hall
P G Hilton
K A Marsden
M J Soutar
E Watson

### Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

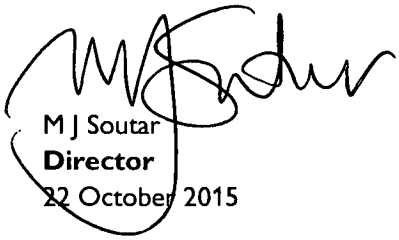
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors 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 J Soutar
**Director**
22 October 2015

## Independent auditor's report

## to the members of Shortlist Media Limited

We have audited the financial statements of Shortlist Media Limited for the period ended 31 March 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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 March 2015 and of its profit for the 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 Strategic Report and Directors' Report for the financial period 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.

**Gavin Black (Senior Statutory Auditor)**
**for and on behalf of Henderson Loggie**

22 October 2015

**Chartered Accountants**
**Statutory Auditor**

The Vision Building
20 Greenmarket
Dundee
DD1 4QB

## Shortlist Media Limited

## Profit and loss account

## for the period ended 31 March 2015

| | Notes | 7 Month Period ended 31 March 2015 £ | Year ended 31 August 2014 £ |
|---|---|---|---|
| **Turnover** | 2 | **14,443,167** | 23,069,398 |
| Cost of sales | | **(8,750,792)** | (16,029,715) |
| **Gross profit** | | **5,692,375** | 7,039,683 |
| Distribution costs | | **(1,629,180)** | (2,852,058) |
| Administrative expenses | | **(2,314,098)** | (3,446,604) |
| **Operating profit** | 3 | **1,749,097** | 741,021 |
| Exceptional items | 8 | **-** | (1,790,222) |
| Impairment of tangible fixed assets | 8 | **-** | (176,967) |
| **Profit/(loss) on ordinary activities before interest** | | **1,749,097** | (1,226,168) |
| Other interest receivable and similar income | 6 | **-** | 1,075 |
| Interest payable and similar charges | 7 | **(7,069)** | (24,625) |
| **Profit/(loss) on ordinary activities before taxation** | | **1,742,028** | (1,249,718) |
| Tax on profit/(loss) on ordinary activities | 9 | **304,062** | - |
| **Profit/(loss) for the period** | 18 | **2,046,090** | (1,249,718) |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

## Shortlist Media Limited

## Balance sheet

## as at 31 March 2015

| | Notes | 2015 £ | 2015 £ | 2014 £ | 2014 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 10 | | **378,574** | | 500,869 |
| Tangible assets | 11 | | **173,412** | | 129,247 |
| Investments | 12 | | **1** | | 1 |
| | | | **551,987** | | 630,117 |
| **Current assets** | | | | | |
| Debtors | 13 | **10,851,733** | | 8,683,418 | |
| Cash at bank and in hand | | **168,982** | | 750 | |
| | | **11,020,715** | | 8,684,168 | |
| **Creditors: amounts falling due within one year** | 14 | **(4,215,121)** | | (4,002,794) | |
| **Net current assets** | | | **6,805,594** | | 4,681,374 |
| **Total assets less current liabilities** | | | **7,357,581** | | 5,311,491 |
| **Net assets** | | | **7,357,581** | | 5,311,491 |
| **Capital and reserves** | | | | | |
| Called up share capital | 17 | | **1,540** | | 1,540 |
| Share premium account | 18 | | **1,601,548** | | 1,601,548 |
| Profit and loss account | 18 | | **5,754,493** | | 3,708,403 |
| **Shareholders' funds** | 19 | | **7,357,581** | | 5,311,491 |

Approved by the Board and authorised for issue on 22 October 2015

M J Soutar
**Director**

**Company Registration No. 06246263**

## 1 Accounting policies

### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

### 1.3 Turnover

Turnover relates to display advertisements, sponsorship and advertorials. Turnover is recognised on release of each magazine. Turnover is the total amount receivable, excluding VAT and trade discounts.

### 1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Land and buildings Leasehold | straight line over the term of the lease |
| Computer equipment | 3 years straight line |
| Fixtures, fittings & equipment | 3 years straight line |

Website and app development costs are capitalised as tangible fixed assets. Any planning costs are charged to the profit and loss account as incurred.

A review for impairment of fixed assets is carried out where events or changes in circumstances indicate that the carrying amount of those fixed assets may not be recoverable.

### 1.6 Leasing

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

### 1.7 Investments

Subsidiary undertakings

Investments in subsidiaries are valued at cost less provision for impairment.

## 1 Accounting policies (continued)

### 1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

### 1.9 Taxation

The financial information is not intended to achieve full compliance with the provisions of UK Generally Accepted Accounting Principles.

### 1.10 Foreign currency translation

Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as a gain or loss in the profit and loss account.

### 1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of D.C. Thomson & Company Limited, a company incorporated in Great Britain and registered in Scotland, and is included in the consolidated financial statements of that company.

### 1.12 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## 1 Accounting policies (continued)

### 1.13 Share options

All share-based payment arrangements are recognised in the financial statements where material. The company operates equity-settled share-based remuneration plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based payment are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to the share based payment reserve, net of deferred tax where applicable.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon the exercise of share options, the proceeds received net of attributable transaction costs are allocated to share capital with any excess being recorded as share premium.

## 2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

## 3 Operating profit

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Operating profit is stated after charging: | | |
| Depreciation of tangible and intangible assets | **165,941** | 241,503 |
| Loss on foreign exchange transactions | **268,605** | 182,168 |
| Operating lease rentals | **126,224** | 218,570 |
| Auditor's remuneration (including expenses and benefits in kind) | **22,823** | 23,000 |

## 4 Employees

### Number of employees

The average monthly number of employees (including directors) during the period was:

| | 2015 Number | 2014 Number |
|---|---|---|
| Editorial | **46** | 42 |
| Advertising | **19** | 21 |
| Management | **19** | 19 |
| Digital | **44** | 58 |
| | **128** | 140 |

| Employment costs | 2015 £ | 2014 £ |
|---|---|---|
| Wages and salaries | **3,629,776** | 8,123,050 |
| Social security costs | **404,110** | 1,203,290 |
| Other pension costs | **32,902** | 37,034 |
| | **4,066,788** | 9,363,374 |

## 5 Directors' remuneration

| | 2015 £ | 2014 £ |
|---|---|---|
| Remuneration for qualifying services | **309,167** | 1,864,750 |

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

| | | |
|---|---|---|
| Remuneration for qualifying services | **180,833** | 707,500 |

The highest paid director received remuneration of £180,833 (2014 - £707,500). A significant element of the 2014 remuneration was non-recurring and results from a one-off transaction which included the exercise of employee share options and the sale of share capital to D.C. Thomson & Company Limited.

## 6 Investment income

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Other interest | - | 1,075 |

## 7 Interest payable

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| On bank loans and overdrafts | **7,069** | 24,625 |

## 8 Exceptional items

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Restructuring | - | 1,540,500 |
| Termination of operation - closure costs | - | 249,722 |
| | - | 1,790,222 |
| Termination of operation - impairment of tangible fixed assets | - | 176,967 |
| | - | 1,967,189 |

Exceptional items last year were one-off costs related to the investment in the business by DC Thomson & Company Limited and the closure of one of the group's digital publications, Neverunderdressed.com during 2014.

The directors did not consider the closure of Neverunderdressed.com to have a material effect on the nature or focus of the company's operations and therefore this was not presented as a discontinued operation.

| 9 Taxation | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| **Domestic current year tax** | | |
| Adjustment for prior years | **(26)** | - |
| **Total current tax** | **(26)** | - |
| **Deferred tax** | | |
| Origination and reversal of timing differences | **(18,433)** | - |
| Deferred tax adjustments arising in previous periods | **(285,603)** | - |
| | **(304,036)** | - |
| | **(304,062)** | - |
| **Factors affecting the tax charge for the period** | | |
| Profit/(loss) on ordinary activities before taxation | **1,742,028** | (1,249,718) |
| Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2014 - 20%) | **348,406** | (249,944) |
| Effects of: | | |
| Non deductible expenses | **23,266** | 166,920 |
| Other timing differences | **2,798** | - |
| Depreciation in excess of capital allowances | **15,495** | 11,207 |
| Tax losses available to carry forward | **-** | 468,456 |
| Tax losses utilised | **(389,965)** | - |
| Adjustments to previous periods | **(26)** | - |
| Other tax adjustments | **-** | (396,639) |
| | **(348,432)** | 249,944 |
| **Current tax charge for the period** | **(26)** | - |

The company has unrelieved tax losses of £1,765,521 as at 31 March 2015 (31 August 2014: £3,715,345)

## 10 Intangible fixed assets

| | Development Costs £ |
|---|---|
| **Cost** | |
| At 1 September 2014 | **873,262** |
| Additions | **51,040** |
| At 31 March 2015 | **924,302** |
| **Amortisation** | |
| At 1 September 2014 | **372,393** |
| Transfer | **76,851** |
| Charge for the period | **96,484** |
| At 31 March 2015 | **545,728** |
| **Net book value** | |
| At 31 March 2015 | **378,574** |
| At 31 August 2014 | 500,869 |

## 11 Tangible fixed assets

| | Land and buildings Leasehold | Plant and machinery | Fixtures, fittings & equipment | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 September 2014 | **123,675** | **532,773** | **94,723** | **751,171** |
| Additions | **-** | **18,156** | **25,846** | **44,002** |
| Disposals | **-** | **(8,240)** | **-** | **(8,240)** |
| At 31 March 2015 | **123,675** | **542,689** | **120,569** | **786,933** |
| **Depreciation** | | | | |
| At 1 September 2014 | **123,675** | **415,787** | **82,462** | **621,924** |
| Transfer | **-** | **(76,851)** | **-** | **(76,851)** |
| On disposals | **-** | **(1,009)** | **-** | **(1,009)** |
| Charge for the period | **-** | **60,430** | **9,027** | **69,457** |
| At 31 March 2015 | **123,675** | **398,357** | **91,489** | **613,521** |
| **Net book value** | | | | |
| At 31 March 2015 | **-** | **144,332** | **29,080** | **173,412** |
| At 31 August 2014 | - | 116,986 | 12,261 | 129,247 |

## 12 Fixed asset investments

| | Unlisted investments £ |
|---|---|
| **Cost** | |
| At 1 September 2014 & at 31 March 2015 | 1 |
| **Net book value** | |
| At 31 March 2015 | 1 |
| At 31 August 2014 | 1 |

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

| Company | Country of registration or incorporation | Shares held | |
|---|---|---|---|
| | | Class | % |
| **Subsidiary undertakings** | | | |
| Urban Media Europe Limited | UK | Ordinary | **100.00** |

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

| | Principal activity | Capital and reserves 2015 £ | Profit/(loss) for the year 2015 £ |
|---|---|---|---|
| Urban Media Europe Limited | Non-trading | **360** | **(35)** |

## 13 Debtors

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Trade debtors | **5,562,307** | 5,126,433 |
| Amounts owed by subsidiary undertakings | **3,182,226** | 2,981,962 |
| Other debtors | **654,830** | 60,311 |
| Prepayments and accrued income | **977,772** | 344,150 |
| Deferred tax asset (see note 15) | **474,598** | 170,562 |
| | **10,851,733** | 8,683,418 |

Amounts falling due after more than one year and included in the debtors above are:

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Other debtors | **585,882** | - |

## 14 Creditors: amounts falling due within one year

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | **396,139** | 527,144 |
| Trade creditors | **673,809** | 521,145 |
| Amounts owed to parent undertaking | **1,138,000** | 1,138,000 |
| Taxes and social security costs | **386,435** | 673,806 |
| Other creditors | **9,125** | 2,765 |
| Accruals and deferred income | **1,611,613** | 1,139,934 |
| | **4,215,121** | 4,002,794 |

The invoice discounting facility is secured by way of a debenture over all of the company's assets. At the period end £396,139 of trade debtors were factored (31 August 2014 - £495,987).

## 15 Provisions for liabilities

**The deferred tax asset (included in debtors, note 13) is made up as follows:**

| | 2015 |
|---|---|
| | £ |
| Balance at 1 September 2014 | **(170,562)** |
| Profit and loss account | **(304,036)** |
| Balance at 31 March 2015 | **(474,598)** |

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Decelerated capital allowances | **(31,747)** | (8,255) |
| Other timing differences | **(52,400)** | - |
| Tax losses available | **(390,451)** | (162,307) |
| | **(474,598)** | (170,562) |

## 16 Retirement benefits

**Defined contribution scheme**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Contributions payable by the company for the period | **32,902** | 37,034 |

## 17 Share capital

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| **Allotted, called up and fully paid** | | |
| 154,000 Ordinary shares of 1p each | **1,540** | 1,532 |
| - 'A' shares of 1p each | **-** | 4 |
| - 'B' shares of 1p each | **-** | 4 |
| | **1,540** | 1,540 |

On 28 January 2015, 'A' and 'B' shares were redesignated as ordinary shares of 1p each at par value.

On 7 May 2015, 9,875 'E' ordinary shares of 1p were issued to employees at par value. 'E' ordinary shares of 1p each carry no voting rights.

## 18 Statement of movements on reserves

| | Share premium account | Profit and loss account |
|---|---|---|
| | £ | £ |
| Balance at 1 September 2014 | **1,601,548** | **3,708,403** |
| Profit for the period | **-** | **2,046,090** |
| **Balance at 31 March 2015** | **1,601,548** | **5,754,493** |

## 19 Reconciliation of movements in shareholders' funds

| | 2015 | 2014 |
|---|---|---|
| | £ | £ |
| Profit/(loss) for the financial period | **2,046,090** | (1,249,718) |
| Proceeds from issue of shares | **-** | 1,601,752 |
| Net addition to shareholders' funds | **2,046,090** | 352,034 |
| Opening shareholders' funds | **5,311,491** | 4,959,457 |
| **Closing shareholders' funds** | **7,357,581** | 5,311,491 |

## 20 Contingent liabilities

There were no contingent liabilities at 31 March 2015 or 31 August 2014.

## 21 Financial commitments

At 31 March 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2016:

| | Land and buildings | |
|---|---|---|
| | **2015** | 2014 |
| | **£** | £ |
| Operating leases which expire: | | |
| Within one year | **-** | 140,000 |
| Between two and five years | **212,814** | 53,041 |
| | **212,814** | 193,041 |

## 22 Capital commitments

There were no capital commitments at 31 March 2015 or 31 August 2014.

## 23 Related party relationships and transactions

During the period, purchases of £65,677 (2014 - £108,412) were made from Integral 2 Limited, a company of which David Joseph is a director. David Joseph was also the company secretary of Shortlist Media Limited during the period until February 2015. At the period end there was an outstanding balance of £12,003 (2014 - £Nil) due to Integral 2 Limited. Trading with Integral 2 Limited is on an arm's length basis.

The company has taken advantage of the exemption available in Financial Reporting Standard No. 8 Related party disclosures not to disclose transactions between companies which are wholly owned by the ultimate parent company during the period where group accounts are prepared.

## 24 Control

The company is a wholly owned subsidiary undertaking of D.C. Thomson & Company Limited, a company incorporated in Great Britain and registered in Scotland.

There is no individual controlling party of D.C. Thomson & Company Limited.