

# Financial Statements

## World Market Intelligence Limited

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**Audited Financial Statements for the Year Ended: 31 December 2013**

**Company Number 02676810**



**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

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**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Company information

**Registered office**

John Carpenter House  
John Carpenter Street  
London  
EC4Y 0AN

**Directors**

K Appiah  
S Pyper  
P Danson

**Company secretary**

K Appiah

**Registered number**

02676810

**Auditors**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
HU2 8BA

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Strategic report

The Directors present their strategic report on World Market Intelligence Limited for the year ended 31 December 2013.

### **Review of the Business**

The principal activity of the Company during the year was the publication of media titles both in print and online.

### **Principal risks and uncertainties**

The principal risks and uncertainties facing the company include:

- an economic downturn that causes a reduction in the marketing and advertising budgets of customers in the markets in which the company has media titles and brands,
- failure by the company to implement new product initiatives and improvements to the business processes and
- failure to attract, motivate and retain sales personnel who are key to the business.

### *Financial instruments*

The Company uses various financial instruments which include cash, trade debtors, trade creditors and amounts due to group and due to related party undertakings that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations. The existence of these financial instruments exposes the Company to a number of financial risks, the principal ones of which are credit and liquidity risk.

### *Liquidity risk*

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable short term needs and to invest cash assets safely and profitably. As set out in the Directors Report 'Going concern', the Company relies on the continuing support of its parent undertaking which manages the liquidity of the Company to ensure that the Company has sufficient liquidity for its operations.

**WORLD MARKET INTELLIGENCE LIMITED**  
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## Strategic report (continued)

### *Credit risk*

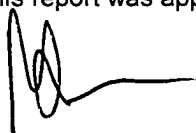
The Company's principal financial assets are debtors due from the parent undertaking, related parties and trade debtors. As set out below under 'Going concern', the Company relies on the continuing support of its parent undertaking and related parties. This risk to trade debtors is mitigated by the low dependency of the Company on any one customer, or any small group of customers, and by setting credit limits for individual customers based on an assessment of their credit rating.

### **Key Performance Indicators**

The company maintain a number of key performance indicators in respect of sales growth, gross margin and cash.

The Directors have not disclosed the group's key performance indicators, as it is considered this would seriously prejudice the group's interests.

This report was approved by the board and signed on its behalf on 29 September 2014.



P Danson  
Director

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Report of the Directors

The directors present their report and audited financial statements for the year ended 31 December 2013.

### **Directors**

The directors who held office during the year and to the date of signing of this report are as follows:

K. Appiah  
S. Pyper  
P. Danson

### **Results**

The results for the year are set out on page 9. The company made a loss before tax for the year of £2,170k (2012: £2,009k).

### **Dividends**

The company did not pay any dividends in respect of the year ending 31 December 2013 (2012: £Nil), and the directors recommend that no final dividend is paid.

### **Future developments**

The strategy of the Company includes further streamlining of the business through the acquisition and/ or disposal of selected media titles and brands and assets where this is in the interests of the Company.

### **Going concern**

The Directors have prepared financial forecasts covering the post balance sheet period up to 12 months from the date of approval of these financial statements which show, with the continued financial support of Michael Danson, the groups trading viability throughout this period. A letter of support has been received from Michael Danson, indicating that he will provide continued financial support to the group for at least twelve months from the date of approval these financial statements.

### **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 group and of the profit or loss of the group for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgement and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Report of the Directors (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by section 418 of the companies act 2006) of which the company's auditors are unaware, and the directors have taken all steps they ought to have taken in order to make themselves aware of any relevant information and establish that the company's auditors are aware of that information.

### **Auditors**

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting, in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf on 29 September 2014.



P Danson  
Director



## **Report of the Independent Auditors to the Members of World Market Intelligence Limited**

We have audited the financial statements of World Market Intelligence Limited for the year ended 31 December 2013 on pages nine to twenty eight. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five and six, 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 Report of the Directors 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 31st December 2013 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Smailes Goldie

Chartered Accountants

 **UK200Group**  
independent quality assured professionals





## **Report of the Independent Auditors to the Members of World Market Intelligence Limited**

### **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

Stephen Bramall BSc ACA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

30 September 2014

Smailes Goldie

Chartered Accountants

 **UK200Group**  
independent quality assured professionals

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

**Profit and loss account**

	Notes	2013 £'000	2012 £'000
Turnover	2	8,005	6,088
Cost of sales		(3,155)	(2,670)
<b>Gross profit</b>		<u>4,850</u>	<u>3,418</u>
Administrative expenses		(7,088)	(5,475)
<b>Operating loss</b>	3	<u>(2,238)</u>	<u>(2,057)</u>
Investment income	4	68	48
<b>Loss on ordinary activities before taxation</b>		<u>(2,170)</u>	<u>(2,009)</u>
Tax on loss on ordinary activities	5	-	3
<b>Loss for the financial year</b>	17	<u><u>(2,170)</u></u>	<u><u>(2,006)</u></u>

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

**Statement of total recognised gains and losses**

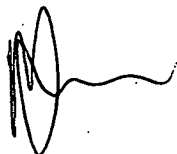
	Notes	2013 £'000	2012 £'000
<b>Loss for the financial year</b>		(2,170)	(2,006)
Actuarial gain/(loss) on pension scheme	14	812	(197)
Restriction on gain on pension scheme	14	(597)	-
Taxation on gain on pension assets and liabilities	14	(49)	47
<b>Total recognised gains and losses for the financial year</b>		<b>(2,004)</b>	<b>(2,156)</b>

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Balance sheet

	Notes	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Intangible assets	8	498	752
Tangible assets	9	23	35
Investments	10	1,232	1,232
		<u>1,753</u>	<u>2,019</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	20,259	14,734
Debtors: amounts falling due after more than one year	11	2,617	2,617
Cash at bank and in hand		276	533
		<u>23,152</u>	<u>17,884</u>
<b>Creditors: amounts falling due within one year</b>	12	(27,476)	(20,184)
<b>Net current liabilities</b>		<u>(4,324)</u>	<u>(2,300)</u>
<b>Total assets less current liabilities</b>		<u>(2,571)</u>	<u>(281)</u>
<b>Net pension assets / (liabilities)</b>	14	276	(10)
<b>Net liabilities</b>		<u>(2,295)</u>	<u>(291)</u>
<b>Capital and reserves</b>			
Share capital	15	2,580	2,580
Share premium account	16	2,210	2,210
Profit and loss account	16	(7,085)	(5,081)
<b>Shareholder's deficit</b>	17	<u>(2,295)</u>	<u>(291)</u>

These financial statements were approved by the Board of Directors and authorised for issue on 29 September 2014 and are signed on their behalf by:



P Danson  
Director  
Company registration number: 02676810

The accompanying accounting policies and notes on pages 12 to 28 form part of these financial statements.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements

### 1 ACCOUNTING POLICIES

#### **Basis of accounting**

The accounts have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

#### **Going concern**

The Directors have prepared financial forecasts covering the post balance sheet period up to 12 months from the date of approval of these financial statements which show, with the continued financial support of Michael Danson, the groups trading viability throughout this period. A letter of support has been received from Michael Danson, indicating that he will provide continued financial support to the group for at least twelve months from the date of approval these financial statements.

#### **Cash flow statement**

The company has taken advantage of the exemption conferred in paragraph 5(a) of FRS1 "Cash flow Statements" and has not prepared a cash flow statement. The company is wholly owned by Progressive Media Ventures Limited within whose group accounts the cash flows of the company are consolidated.

#### **Group accounts**

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

#### **Turnover**

Turnover represents the invoiced value of goods sold and services provided during the year, stated net of Value Added Tax. Subscription revenue is allocated to relevant accounting periods covered by the subscription. Event revenue is recognised in the month that the event takes place. Subscription and fees in advance are carried forward in creditors amounts falling due within one year.

#### **Goodwill**

Goodwill, being the excess of the consideration paid over the fair value of attributed to net assets acquired, is capitalised and amortised through the profit and loss account over its estimated useful economic life, not exceeding 20 years. The Directors regard 20 years as reasonable estimate of useful economic life of goodwill.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 1 ACCOUNTING POLICIES (CONTINUED)

#### **Intangible assets**

Publishing rights and other intangible fixed assets acquired are stated at cost or fair value at the date of acquisition less any provision for impairment. They are amortised over the useful economic life. The Directors regard 20 years as a reasonable estimate for the useful economic life of the publishing rights. Provision is made for any impairment.

#### **Tangible fixed assets**

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:

Computer equipment	33%
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#### **Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value.

#### **Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value. Cost is determined using a weighted average method.

#### **Deferred taxation**

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

- provision is made for deferred tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on the undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 1 ACCOUNTING POLICIES (CONTINUED)

#### Pensions

##### *i) Defined Contribution Scheme*

The Company contributes to a defined contribution pension scheme, the assets of which are held in a separately administered fund. Contributions to this scheme are charged to the profit and loss account in the period in which they fall due.

##### *ii) Defined Benefit Scheme*

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable.

The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

#### **Foreign currency translation**

Trading activities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the end of the financial year. Any resultant gain or loss on exchange is shown as part of the company's profit or loss from ordinary activities.

### 2 TURNOVER

The Directors have not disclosed the company's turnover by geographical location, as it is considered this would seriously prejudice the company's interests.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 3 OPERATING LOSS

	2013 £'000	2012 £'000
Operating loss is stated after charging:		
Amortisation of intangible assets	254	255
Depreciation of tangible assets	21	17
Loss on foreign exchange transactions	29	56
Operating Lease rentals	22	32
Auditors' remuneration (including expenses and benefits in kind)	7	7

### 4 INVESTMENT INCOME

	2013 £'000	2012 £'000
Net finance income on other pension scheme assets and liabilities	68	48

### 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2013 £'000	2012 £'000
<b>Current tax</b>		
UK corporation tax on profits of the year	—	—
<b>Total current tax</b>	—	—
<b>Deferred tax</b>		
Deferred tax charge current year	—	3
Impact of change in tax rate and laws	—	—
<b>Tax on loss on ordinary activities</b>	—	3



**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 5 TAX PROFIT ON ORDINARY ACTIVITIES (continued)

The tax assessed for the year until 31 December 2013 is different from the standard rate of corporation tax in the UK of 23.25%. The differences are explained below:

	2013 £'000	2012 £'000
Loss on ordinary activities before taxation	(2,170)	(2,009)
Standard rate of corporation tax in the UK	23.25	24.5%
Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax	(504)	(492)
Effects of:		
Expenses not deductible for tax purposes	73	90
Capital allowances of the period in excess of depreciation	(14)	(21)
Tax adjustment in respect of pension contribution	(37)	(36)
Losses not recognised	482	459
Losses surrendered for no consideration	-	-
Adjustment to tax charge in respect of previous periods	-	-
<b>Current tax charge for financial year</b>	<b>-</b>	<b>-</b>

#### Factors that may affect future tax charges

The standard rate of Corporation Tax in the UK changed from 24% to 23% with effect from 1 April 2013. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 23.25%. Further reductions to the standard rate of Corporation Tax have been enacted, reducing the rate by 2% to 21% as at 1 April 2014 and by a further 1% to 20% as at 1 April 2015. At the balance sheet date only the reduction to 23% had been substantively enacted and accordingly deferred tax balances at 31 December 2013 have been calculated at this rate.

The company has a deferred tax asset of £353,723 (2012: £415,488) which has not been recognised.

The company has unrecognised tax losses of £1,075,660 (2012: £759,902).

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 6 STAFF COSTS

	2013 £'000	2012 £'000
Wages and salaries	3,799	3,110
Social Security costs	298	246
Employers pension contributions	95	82
	<u>4,192</u>	<u>3,438</u>

#### Number of employees

The average monthly number of employees (including Directors) during the year was:

	2013 Number	2012 Number
Productions	32	33
Sales and distribution	48	33
Administration	33	34
	<u>113</u>	<u>100</u>

### 7 DIRECTORS' REMUNERATION

	2013 £'000	2012 £'000
Remuneration for qualifying services excluding pension	-	68

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 8 INTANGIBLE FIXED ASSETS

	Publishing rights £'000
<b>Cost</b>	
At 1 January 2013 and 31 December 2013	5,221
<b>Amortisation</b>	
At 1 January 2013	4,469
Charge for the financial year	254
At 31 December 2013	4,723
<b>Net book value</b>	
At 31 December 2013	498
At 31 December 2012	752

### 9 TANGIBLE FIXED ASSETS

	Computer equipment £'000
<b>Cost</b>	
At 1 January 2013	209
Additions	9
At 31 December 2013	218
<b>Depreciation</b>	
At 1 January 2013	174
Charge for the financial year	21
At 31 December 2013	195
<b>Net book value</b>	
At 31 December 2013	23
At 31 December 2012	35

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 10 FIXED ASSETS INVESTMENTS

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 1 January 2013 and 31 December 2013	1,232
<b>Depreciation</b>	
At 1 January 2013 and 31 December 2013	-
<b>Net book value</b>	
At 31 December 2013	1,232
At 31 December 2012	1,232

#### Holdings of more than 20%

The following are the subsidiary undertakings of the company:

Company	Country of registration or incorporation	Shares held	
		Class	%
Progressive Media Markets Limited	UK	Ordinary	100
Digital Research and Insight Private Limited	India	Ordinary	100
Timetric Limited	UK	Ordinary	100
Financial News Publishing Limited	UK	Ordinary	100
Progressive Media International Middle East FZ-LLC	United Arab Emirates	Ordinary	100

**WORLD MARKET INTELLIGENCE LIMITED**  
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## Notes to the financial statements (continued)

### 11 DEBTORS

Amounts falling due within one year are:

	2013 £'000	2012 £'000
Trade debtors	1,401	853
Amounts due from related parties (Note 18)	16,657	12,395
Amounts due from group companies	1,446	955
Prepayments and accrued income	524	297
Other debtors	231	234
	<u>20,259</u>	<u>14,734</u>

Amounts falling due after more than one year are:

	2013 £'000	2012 £'000
Amounts due from related parties (Note 18)	<u>2,617</u>	<u>2,617</u>

In 2009, the company sold a property to Estel Property Investments Limited, a company under common control, for a deferred consideration of £2,617,400. The amount is repayable on or before 1 June 2019 and no interest is chargeable.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Bank loans and overdrafts	508	965
Trade creditors	577	647
Amounts owed to related parties (note 19)	9,207	5,755
Amounts owed to group undertakings	688	416
Accruals and deferred income	3,574	1,937
Other taxes and social security costs	250	351
Other creditors	71	12
Shareholder loan	12,601	10,101
	<u>27,476</u>	<u>20,184</u>

The shareholder loan above is a loan owed to the ultimate controlling party, M D Danson, of £12,601,000 (2012: £10,101,000) which was unsecured, bears no interest and is repayable on demand.

### 13 OBLIGATIONS UNDER OPERATING LEASES

At 31 December 2013, the company had annual commitments under non-cancellable operation leases for assets other than land and buildings expiring as follows:

	2013 £'000	2012 £'000
Expiring		
Between one and five years	14	27
	<u>14</u>	<u>27</u>

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

Notes to the financial statements (continued)

**14 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS**

**Defined benefit scheme**

The company operates a defined benefit pension scheme (the Progressive Media Markets Limited Pension Scheme). The benefits under the Scheme accrue from 6 March 1992 and are based on final salary. The Scheme is funded by the payment of contributions to a separately administered trust fund. The assets of the scheme are held separately to those of the company.

Membership of the scheme at 31 December 2013 was as follows:

	Number of members
Active members	6
Deferred members	16
Pensioner members	19
	<hr/>
	41

The pension costs are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method. The most recent valuation, which was conducted as at 4 March 2014, has been updated by the same qualified independent actuaries.

**WORLD MARKET INTELLIGENCE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

## Notes to the financial statements (continued)

### 14 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS (CONTINUED)

The amounts recognised in the balance sheet are as follows:

	2013 £'000	2012 £'000
Fair value of scheme assets	5,448	4,503
Present value of unfunded obligations	(4,492)	(4,516)
Restriction on surplus	(597)	-
Deferred tax (liability)/asset on pension asset	(83)	3
<b>Net asset/(liability)</b>	<b>276</b>	<b>(10)</b>

The amounts recognised in the profit and loss account are as follows:

	2013 £'000	2012 £'000
Current service cost	70	59
Interest cost	185	185
Expected return on scheme assets	(254)	(234)
<b>Total</b>	<b>1</b>	<b>10</b>

<b>Actual return on scheme assets</b>	<b>873</b>	<b>437</b>
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The 'Current service cost' is included within 'Administrative expenses' in the profit and loss account.

The 'Interest cost', 'Expected return on scheme assets' and 'Past service cost' are included within 'Investment income' in the profit and loss account.

Changes in the present value of the defined benefit obligation are as follows:

	2013 £'000	2012 £'000
Opening defined benefit obligation	4,516	3,947
Current service cost	70	59
Employee contributions	10	11
Interest cost	185	185
Actuarial loss/(gain) due to experience	(25)	(47)
Actuarial loss/(gain) due to assumption changes	(168)	447
Benefits paid	(96)	(86)
<b>Closing defined benefit obligation</b>	<b>4,492</b>	<b>4,516</b>



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## Notes to the financial statements (continued)

### 14 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS (CONTINUED)

Changes in the fair value of scheme assets are as follows:

	2013 £'000	2012 £'000
Opening fair value of scheme assets	4,503	3,983
Expected return	254	234
Actuarial gains	619	203
Contributions by employer	158	158
Employee contributions	10	11
Benefits paid	(96)	(86)
<b>Closing fair value of scheme assets</b>	<b>5,448</b>	<b>4,503</b>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses was £250,000 (2012: £35,000).

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2013	2012
Equities	84.4%	81.2%
Bonds	10.5%	9.8%
Cash/other	5.1%	9.0%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2013	2012
Discount rate	4.4%	4.1%
Retail price inflation	3.6%	3.0%
Consumer price inflation	2.6%	2.5%
Increases to pensionable earnings	4.8%	4.2%
Increases to pensions in deferment:		
- pension accrued before 6 April 2009	2.6%	2.5%
- pension accrued on or after 6 April 2009	2.5%	2.5%
Increases to pensions in payment:		
- Pre-88 GMP	Nil	Nil
- Post-88 GMP	3.0%	3.0%
- Pre-97 Excess	3.0%	3.0%
- Post 97	3.0%	3.0%
Mortality before and after retirement	S1PMA/S1PFA	S1PMA/S1PFA
Commutation	20%	20%
Expected return on assets	6.8%	5.6%

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## Notes to the financial statements (continued)

### 14 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS (CONTINUED)

Amounts for the current and previous four periods (which include periods prior to the Companies assumption of responsibility for the scheme on acquisition of the associated business) are as follows:

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Present value of liabilities	(4,492)	(4,516)	(3,947)	(3,755)	(3,710)
Fair value of assets	5,448	4,503	3,983	4,004	3,278
Surplus/(deficit)	<b>956</b>	<b>(13)</b>	<b>36</b>	<b>249</b>	<b>(432)</b>
Experience gain/(loss) on liabilities	25	47	(64)	215	(64)
Experience gain/(loss) on assets	619	203	(302)	396	536

Analysis of amounts recognised in statement of total recognised gains and losses (STRGL):

	2013 £'000	2012 £'000
Actual return less expected return on assets	619	203
Experience gain on arising on scheme liabilities	25	47
Changes in assumptions underlying the present value of scheme liabilities	168	(447)
<b>Total</b>	<b>812</b>	<b>(197)</b>

Analysis of scheme assets:

	2013 £'000	2012 £'000
Equities	4,600	3,657
Bonds	570	441
Cash/other	278	405
<b>Total</b>	<b>5,448</b>	<b>4,503</b>

The overall expected return on the scheme's assets for the year commencing 31 December 2013 is 6.8% pa (net of investment expenses). This has been derived as the weighted average of the individual expected rates of return on each major category of assets. In particular the returns (net of investment expenses) for equities, bonds and cash have been taken as 7.45% pa, 4.3% pa and 0.5% pa respectively.

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## Notes to the financial statements (continued)

### 15 SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	Number	£'000	Number	£'000
Ordinary shares of £0.10 each	25,807,850	2,580	25,807,850	2,580

### 16 RESERVES

	Share premium account 2013 £'000	Profit and loss account 2013 £'000
At 1 January 2013	2,210	(5,081)
Loss for the financial year	—	(2,170)
Actuarial gains / losses on pension scheme assets	—	812
Restriction on gain on pension scheme	—	(597)
Taxation on actuarial pension valuation	—	(49)
<b>At 31 December 2013</b>	<b>2,210</b>	<b>(7,085)</b>

### 17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS/(DEFICIT)

	2013 £'000	2012 £'000
Loss for the financial year	(2,170)	(2,006)
Other recognised gains and losses	812	(197)
Restriction on gain on pension scheme	(597)	—
Taxation on actuarial pension valuation	(49)	47
Net depletion in shareholder's funds deficit	(2,004)	(2,156)
Opening shareholder's (deficit)/funds	(291)	1,865
<b>Closing shareholder's deficit</b>	<b>(2,295)</b>	<b>(291)</b>

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## Notes to the financial statements (continued)

### 18 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 Related Party Disclosures that transactions with wholly owned subsidiaries do not need to be disclosed.

Included within creditors is a loan owed to the ultimate controlling party, M Danson, of £12,601,000 (2012: £10,101,000) which was unsecured, and bears no interest.

At 31 December 2013, an amount of £18,000 (2012: £10,000) was due from Progressive Media Ventures Limited, the company's ultimate parent company.

At 31 December 2013, an amount of £223,000 (2012: £223,000) was due from Simon Pyper, a Director. This was unsecured, and bears no interest. The amount remains outstanding at the year end.

At 31 December 2013, amounts due from and to the related party companies, respectively, are as follows:

Amounts due from related parties:	2013	2012
	£'000	£'000
New Statesman Limited	2,122	1,891
Progressive Innovations Limited	122	121
Progressive Recruitment Limited	-	10
Global Data Limited	543	186
The Samling Hotel	126	81
Root Capital Fund LLP	-	37
Global Intelligence & Media Korea Limited	6	-
Global Intelligence & Media Japan Limited	5	-
Skorthalia Canteen Limited	3	-
Progressive Media International Limited and its associated subsidiaries	6,756	4,306
Estel Property Group Limited and its associated subsidiaries	6,828	6,891
Progressive Media Group PLC and its associated subsidiaries	2,763	1,489
<b>Total</b>	<b>19,274</b>	<b>15,012</b>

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## Notes to the financial statements (continued)

### 19 RELATED PARTY TRANSACTIONS (CONTINUED)

Amounts due to related parties:	<b>2013</b>	<b>2012</b>
	£'000	£'000
Progressive Recruitment Limited	30	-
Global Intelligence & Media Korea Limited	1	50
Estel Property Group Limited and its associated subsidiaries	3,615	837
Progressive Media International Limited and its associated subsidiaries	1,663	1,222
Progressive Media Group PLC and its associated subsidiaries	3,898	3,646
<b>Total</b>	<b>9,207</b>	<b>5,755</b>

### 20 ULTIMATE CONTROLLING PARTY

The company's immediate and ultimate parent company is Progressive Media Ventures Limited, whose group accounts the results of the company are consolidated within.

Michael Danson is the ultimate controlling party through his 100% shareholding of Progressive Media Ventures Limited.