

**PARTNERSHIP MEDIA GROUP
LIMITED**

**Annual Report and financial
Statements for the year ended
31 December 2015**



REPORT AND FINANCIAL STATEMENTS 2015

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

J Walsh

COMPANY SECRETARY

TPDS Limited

REGISTERED OFFICE

Hollins Chambers
64a Bridge Street
Manchester
M3 3BA

BANKERS

HSBC Bank plc
Bank Square
Wilmslow
Cheshire
SK9 1AR

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
2 Hardman Street
Manchester
M3 3HF

STRATEGIC REPORT

BUSINESS REVIEW

Principal activity

The company's principal activity is as a public policy events' organiser.

Business performance

The director is pleased with the strong performance for the year. The company's sales remain stable at £14,433,928 (2014: £14,442,074) while profit after taxation has increased to £2,421,761 (2014: £2,139,487).

The company has established a clear strategy to take advantage of opportunities across a range of events and believes that executing the strategy will enable the business to continue to grow.

An unpredictable General Election campaign and result has impacted the company's ability to run some events over the spring period, resulting in a weaker Q2 compared to the previous year. The crash in oil prices has led the company to scale down the product offering in that sector from Q1 onwards. The director is therefore pleased with a growth in profit year on year despite those two limiting factors.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the company are the challenging economic climate which has hit marketing and training expenditure together with the risk of ongoing public sector spending cuts. The company is profitable and continues to generate positive cash flow from operations and therefore the director believes that the company is well positioned in its market place.

KEY PERFORMANCE INDICATORS

The company's key financial performance indicators are operating profit and turnover which can be seen in the profit and loss accounts on page 7:

FINANCIAL RISK MANAGEMENT

Principal risks and uncertainties

Credit risk

The company's credit risk is primarily attributable to its trade receivable. Careful checks are in place to ensure the financial viability of our customers and suppliers. Equally, enhanced commercial discussion with our clients continues at pre-event stage to secure satisfactory payment terms and cash is mainly received in advance of the event to contribute to strong cash flow.

STRATEGIC REPORT (continued)

FINANCIAL RISK MANAGEMENT (CONTINUED)

Principal Risks and uncertainties (continued)

Operational risk

The company has taken positive steps with regards to succession planning and has an experienced management team in place well able to combine their knowledge and expertise to react swiftly and effectively to any risk situation.

The Director regularly reviews overall policies regarding the control and management of risk.

Cashflow risk

The company's credit risk is primarily attributable to its trade receivables. The company operates a bank account and has a long-term loan secured on the new London office premises. The company holds its money with a recognised bank which has a high credit rating. Trade debtors are well controlled and the level of bad debts low. Creditors are paid on normal payment terms.

FUTURE DEVELOPMENTS.

The director expects the general level of activity to increase in the forthcoming year. This is as a result of substantial growth in the expo division, including the launch of a new show as well as organic growth of all other business divisions.

Approved by the Director on 18/08/ 2016.

Joanne Walsh

J Walsh

Director

Hollins Chambers
64a Bridge Street
Manchester
M3 3BA

DIRECTOR'S REPORT

The director presents her annual report on the affairs of the Company, together with the financial statements and auditor's report for the year ended 31 December 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £2,421,761 (2014: £2,139,487).

A final ordinary dividend of £1,017,507 was proposed during the year (2014: £800,000).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of financial risk management objectives and policies can be found in the Strategic Report on pages 2-3.

GOING CONCERN

After making enquiries, and based on the assumptions outlined in the Accounting Policies in Note 1, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

DIRECTOR

The director who served during the year and to the date of this report is stated on page 1.

AUDITOR

The person who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved and signed on behalf of the Board 18/08 / 2016



J Walsh

Director

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 company will continue in business.

The director is 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. The director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERSHIP MEDIA GROUP LIMITED

We have audited the financial statements of Partnership Media Group Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, Cash flow Statement and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement, the director is 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 December 2015 and of its profit 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.

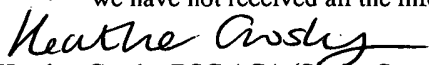
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Heather Crosby BSC ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

30 August 2016

PARTNERSHIP MEDIA GROUP LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2015

	Note	2015 £	2014 £
TURNOVER	3	14,433,928	14,442,074
Cost of sales		<u>(6,807,162)</u>	<u>(6,912,068)</u>
GROSS PROFIT		7,626,766	7,530,006
Administrative expenses		<u>(4,430,395)</u>	<u>(4,638,609)</u>
OPERATING PROFIT	4	3,196,371	2,891,397
Interest receivable and similar income		11,029	13,663
Interest Payable		<u>(155,916)</u>	<u>(76,447)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,051,484	2,828,613
Tax on profit on ordinary activities	7	<u>(629,723)</u>	<u>(689,126)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>2,421,761</u></u>	<u><u>2,139,487</u></u>

All amounts relate to continuing operations.

There were no items of other comprehensive income or expense for 2015 or 2014 other than those included in the profit and loss account. Accordingly, no separate statement of comprehensive income has been presented.

The notes on pages 11 to 23 form part of these financial statements.

PARTNERSHIP MEDIA GROUP LIMITED

BALANCE SHEET As at 31 December 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	9		9,766,503		9,877,366
Investments	10		<u>100</u>		<u>100</u>
			9,766,603		9,877,466
CURRENT ASSETS					
Debtors : due within one year	11	3,865,181		3,517,070	
Cash at bank and in hand		<u>3,468,096</u>		<u>2,125,619</u>	
		7,333,277		5,642,689	
CREDITORS: amounts falling due within one year	12	<u>(6,029,220)</u>		<u>(5,595,664)</u>	
NET CURRENT ASSETS			<u>1,304,057</u>		<u>47,025</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			11,070,660		9,924,491
CREDITORS: Amounts falling due after more than one year	13		(5,546,348)		(5,793,120)
PROVISIONS FOR LIABILITIES					
Deferred tax	14		<u>(129,061)</u>		<u>(140,374)</u>
NET ASSETS			<u><u>5,395,251</u></u>		<u><u>3,990,997</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		66		66
Capital redemption reserve	16		33		33
Profit and loss account			<u>5,395,152</u>		<u>3,990,898</u>
SHAREHOLDER'S FUNDS			<u><u>5,395,251</u></u>		<u><u>3,990,997</u></u>

The financial statements of Partnership Media Group Limited, company registration number 03307092, were approved by the Director and authorised for issue on 18/08/ 2016.

Joanne Walsh

J Walsh
Director

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2015

	Share premium £	Called-up share Capital £	Profit and loss account £	Total £
At 31 December 2013 as previously stated	66	33	2,651,411	2,651,510
Changes on transition to FRS 102 (see note 23)	-	-	-	-
At 1 January 2014	66	33	2,651,411	2,651,510
Result for the financial year	-	-	2,139,487	2,139,487
Dividends paid (note 8)	-	-	(800,000)	(800,000)
Total comprehensive income	-	-	1,339,487	1,339,487
At 31 December 2014	66	33	3,990,898	3,990,997
Result for the financial year	-	-	2,421,761	2,421,761
Dividends paid (note 8)	-	-	(1,017,507)	(1,017,507)
Total comprehensive income	-	-	1,404,254	1,404,254
At 31 December 2015	66	33	5,395,152	5,395,251

CASH FLOW STATEMENT
Year ended 31 December 2015

	Note	2015 £	2014 £
Net cash inflow from operating activities	17	2,543,051	2,104,842
Cash flows from investing activities			
Purchase of equipment		(114,289)	(9,904,711)
Interest received		11,029	13,663
Interest paid		(155,916)	(76,447)
Net cash flows from investing activities		<u>(259,176)</u>	<u>(9,967,495)</u>
Cash flows from financing activities			
Dividends paid		(706,150)	(555,200)
Repayment of borrowings		(235,248)	(119,136)
New bank loans raised		-	6,150,000
Net cash flows from financing activities		<u>(941,398)</u>	<u>5,475,664</u>
Net increase/(decrease) in cash and cash equivalents		<u>1,342,477</u>	<u>(2,386,989)</u>
Cash and cash equivalents at beginning of year		2,125,619	4,512,606
Cash inflow/(outflow) from increase/(decrease) in cash and cash equivalents		<u>1,342,477</u>	<u>(2,386,989)</u>
Cash and cash equivalents at end of year		<u>3,468,096</u>	<u>2,125,619</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Partnership Media Group Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the director's report on pages 2-3.

The financial statements have been prepared under the historical cost convention, modified to include freehold property at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issues by the Financial Reporting Council.

The prior year financial statements were reviewed for material adjustments on adoption of FRS 102 in the current year, with no adjustments arising that would impact on the previously reported equity and profit. For more information see note 24.

The functional currency of Partnership Media Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Group accounts have not been prepared as the company's subsidiary is permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 3. As a consequence, the director believes that the company is well placed to manage its business risks successfully.

The company meets its day-to-day working capital requirements through cash generation and strong working capital management. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the current level of agreed facilities, including compliance with all applicable covenants.

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation, except for freehold property which is held a valuation. Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following bases:

Freehold improvements	10% straight line
Fixtures, fittings and equipment	15% straight line
Computer equipment	33% straight line
Leasehold property improvements	over the period of the lease

Revaluation of properties

Individual freehold and leasehold properties are revalued to fair value every 3 years with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account.

The property is held at valuation and not depreciated. The property was acquired and therefore valued at 11 June 2014.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2015

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial Assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction cost). If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Non-current debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest method:

- (a) Returns to the holder are (i) a fixed amount, or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single reference quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
- (d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt Instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled.

(ii) Investments

Investments are measured at cost less impairment

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial Assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date. Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

ACCOUNTING POLICIES (CONTINUED)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Turnover

Turnover is stated net of VAT and trade discounts. Events revenue is recognised in the period in which the event occurs.

Employee benefits

The company operates a defined contribution pension scheme and the amount charged to the profit and loss in respect of pension costs is the contributions payable in the year.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction.

Exchange gains and losses are recognised in the profit or loss in the period in which they arise.

Leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term, even if the payments are not made on such a basis.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical judgements in applying the Company's accounting policies

The directors do not consider that the amounts recognised in the current or prior year financial statements have been significantly affected by any critical judgments made in the process of applying the Company's accounting policies.

Key sources of estimation uncertainty

Bad debt provision

In making its judgement, management have considered whether there is objective evidence of any financial assets that are measured at cost or amortised cost at the accounting date. If there is objective evidence of impairment, the company has recognised an impairment in the profit or loss. The company has recognised a provision in 2015 of £32,217 (2014: £15,386).

Objective evidence that a financial asset is impaired includes observable data that has come to the attention of the company about the following loss events:

- a) Significant financial difficulty of the obligor;
- b) The creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting to the debtor a concession that the creditor would not otherwise consider; and
- c) It has become probable that the debtor will enter bankruptcy or other financial reorganisation.

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

3. TURNOVER

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Publication of magazines and directories	660,634	558,199
Conferences and seminar income	13,752,300	13,843,754
Other income	20,994	40,121
	<u>14,433,928</u>	<u>14,442,074</u>

All turnover arose within the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015	2014
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible fixed assets (note 9)	224,820	123,666
Operating lease rentals	330,480	684,834
Foreign exchange (gain)/loss	(1,063)	2,651
Loss on disposal of fixed assets	331	2,172

The analysis of the auditor's remuneration is as follows:

	2015	2014
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's annual accounts	18,500	15,000
Total audit fees	<u>18,500</u>	<u>15,000</u>
Taxation compliance services	8,350	8,000
Total non-audit fees	<u>8,350</u>	<u>8,000</u>
Previous auditor's remuneration (audit and non audit)	<u>-</u>	<u>10,976</u>

5. STAFF COSTS

The aggregate of staff remuneration (including director) comprised:

	2015	2014
	£	£
Wages and salaries	5,007,930	5,111,735
Social security costs	517,070	530,727
Other pension costs (note 20)	71,350	50,447
	<u>5,596,350</u>	<u>5,692,909</u>

Other pension costs¹ includes only those items included within operating costs.

	2015	2014
	No.	No.
The average monthly number of employees (including director) during the year was:		
Sales	53	54
Marketing, Production and Administration	106	102
	<u>159</u>	<u>156</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

6. DIRECTOR'S REMUNERATION AND TRANSACTIONS

	2015	2014
	£	£
Emoluments	426,246	414,380
Company pension contributions to defined contribution pension scheme	42,364	50,232

During the year retirement benefits were accruing to 1 director (2014: 1) in respect of defined contribution pension schemes.

Director advances, credits and guarantees

Details of transactions with director during the year are disclosed in note 22.

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2015	2014
	£	£
Current tax		
UK corporation tax on profits of the period	644,677	551,860
Adjustments in respect of previous periods	(3,642)	68
Total current tax	641,035	551,928
Deferred tax		
Origination and reversal of timing differences	51,870	147,439
Adjustment in respect of prior years	(47,566)	-
Effect of changes in tax rates	(15,616)	(10,241)
Total deferred tax (see note 14)	(11,312)	137,198
Total tax per the profit and loss account	629,723	689,126

The standard rate of tax applied to reported profit on ordinary activities is 20.25 per cent (2014: 21.49 per cent). The applicable tax rate has changed following the substantive enactment of the Finance Act 2013. During the year beginning 1 January 2016, the net reversal of deferred tax is expected to decrease the corporation tax charge for the year by £5,805.

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015	2014
	£	£
Profit for the year	3,051,484	2,828,613
Profit on ordinary activities at UK standard rate of 20.25% (2014: 21.49%)	617,821	607,869
Effects of:		
Expenses not deductible	78,726	91,430
Adjustments from previous periods	(51,208)	68
Short term timing difference leading to an increase/(decrease) in taxation	(15,616)	(10,241)
Tax charge for the year	629,723	689,126

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

8. DIVIDENDS ON EQUITY SHARES

Amounts recognised as distributions to equity holders in the year:

	2015	2014
	£	£
Final dividend for the year ended 31 December 2015 of 1,541,677p (2014: 1,212,121p) per ordinary share	1,017,507	800,000
	<u> </u>	<u> </u>

PARTNERSHIP MEDIA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2015

9. TANGIBLE FIXED ASSETS

	Freehold buildings £	Freehold improve- ments £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 January 2015	9,109,360	323,833	50,911	236,533	450,815	10,171,452
Additions	-	-	26,451	16,235	72,599	115,285
Disposals	-	(997)	-	(66,388)	(8,352)	(75,737)
At 31 December 2015	9,109,360	322,836	77,362	186,380	515,062	10,211,000
Depreciation						
At 1 January 2015	-	5,310	50,910	84,934	152,932	294,086
Charge for the year	-	31,842	11,336	27,235	154,407	224,820
Disposals	-	-	-	(66,057)	(8,352)	(74,409)
At 31 December 2015	-	37,152	62,246	46,112	298,987	444,497
Net book value						
At 31 December 2015	9,109,360	285,684	15,116	140,268	216,075	9,766,503
At 31 December 2014	9,109,360	318,523	1	151,599	297,883	9,877,366

There are no leased assets included above.

The loan to purchase the property is secured against the property together with a fixed and floating charge over the assets of the business (see note 13).

10. FIXED ASSET INVESTMENTS

	2015 £	2014 £
Subsidiary undertakings	100	100

The Company has an investment in the following dormant subsidiary undertaking

Name	Country of Incorporation	Class of shares	Holding
GovNet Communications Limited	United Kingdom	Ordinary	100%

PARTNERSHIP MEDIA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2015

11. DEBTORS

Amounts due within one year	2015 £	2014 £
Trade debtors	2,575,084	2,923,102
Other debtors	922,320	286,328
Prepayments and accrued income	367,777	307,640
	<u>3,865,181</u>	<u>3,517,070</u>

Included within other debtors due within one year is a loan to J Walsh, a director, amounting to £560,228 (2014: £129,581).

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Bank loan (see note 13)	249,268	237,744
Trade creditors	232,797	267,389
Corporation tax	392,711	208,085
Other taxation and social security	619,123	530,868
Other creditors	384,810	328,198
Accruals and deferred income	4,150,511	4,023,380
	<u>6,029,220</u>	<u>5,595,664</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

The company acquired new office premises in London in the previous year at a cost of £9.1 million. The acquisition was funded through a 20 year loan of £6.15 million. Interest is charged at 2% per annum over the Bank of England Base rate. The loan is secured against the London property together with a fixed and floating charge over the assets of the business. The amounts repayable are as follows:

	2015 £	2014 £
Bank loans		
Between two and five years	1,063,030	950,976
After five years	4,483,318	4,842,144
	<u>5,546,348</u>	<u>5,793,120</u>
On demand or within one year (note 12)	249,268	237,744
	<u>5,795,616</u>	<u>6,030,864</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

14. PROVISIONS FOR LIABILITIES

	Deferred taxation £
At 1 January 2015	140,374
Adjustment in respect of prior years	(47,567)
Deferred tax charge to profit and loss account for the year	36,254
	<hr/>
At 31 December 2015	129,061
	<hr/> <hr/>

Deferred tax

Deferred tax is provided as follows:

	2015 £	2014 £
Fixed asset timing differences	134,866	144,922
Other timing differences	(5,805)	(4,548)
	<hr/>	<hr/>
Provision for deferred tax	129,061	140,374
	<hr/> <hr/>	<hr/> <hr/>

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same tax authority.

15. FINANCIAL INSTRUMENTS

The carrying values of the Company's financial assets and liabilities are summarised by category below:

	2015 £	2014 £
Financial assets		
Measured at undiscounted amount receivable		
• Trade and other debtors (see note 11)	3,497,404	3,209,430
	<hr/>	<hr/>
	3,497,404	3,209,430
	<hr/> <hr/>	<hr/> <hr/>
Financial liabilities		
Measured at amortised cost		
• Loans payable	5,795,616	6,030,864
Measured at undiscounted amount payable		
• Trade and other creditors (see note 12)	617,607	595,587
	<hr/>	<hr/>
	6,413,223	6,626,451
	<hr/> <hr/>	<hr/> <hr/>
Interest income and expense		
Total interest expense for financial liabilities at amortised cost	155,916	76,447
	<hr/>	<hr/>

PARTNERSHIP MEDIA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2015

16. CALLED UP SHARE CAPITAL AND RESERVES

	2015 £	2014 £
Allotted, called up and fully paid		
66 ordinary shares of £1 each	66	66

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows;

The profit and loss reserve represents cumulative profit or losses, net of dividends.

The capital redemption reserve is a non-distributable reserve and represents paid up share capital.

17. CASH FLOW STATEMENT

	2015 £	2014 £
Operating profit	3,196,371	2,891,397
Adjustment for:		
Depreciation of tangible fixed assets	224,820	123,666
Loss on disposal of fixed assets	331	2,172
Operating cash flow before movement in working capital	3,421,522	3,017,235
Taxation paid	(658,084)	(767,234)
Increase in debtors	(457,861)	(437,030)
Increase in creditors	237,474	291,871
Cash generated by operations	2,543,051	2,104,842

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

18. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

At 31 December 2015 the company had total commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Expiry date:				
Within 1 year	182,434	185,398	108,446	104,781
Between 2 and 5 years	48,750	209,813	171,929	239,241
	<u>231,184</u>	<u>395,211</u>	<u>280,375</u>	<u>344,022</u>

19. CONTINGENT LIABILITIES

There is a cross guarantee between the company and the director, J Walsh. At 31 December 2015 the total potential liability amounted to £1,876,000 (2014: £1,904,000).

20. EMPLOYEE BENEFITS

Defined contribution scheme

The company operates a defined contribution pension scheme for all qualifying employees. The total expense charged to profit or loss in the year ended 31 December 2015 was £71,350 (2014: £50,447).

21. RELATED PARTY TRANSACTIONS

Director's transactions

Loan to director

An unsecured interest loan, repayable on demand was made to the director. The amount of the liability to the Company at the beginning of the year was £129,581, the maximum during the year was £560,228 and at the end of the year was £560,228. This balance is included within other debtors (note 11).

During the year, the company paid lease rentals to the director totalling £117,000 (2014: £117,000), the amount of £nil (2014: £nil) is still owing at the date of the balance sheet.

Other related party transactions

An unsecured interest free loan, repayable on demand, made to a member of key management personnel and was outstanding during the year. The amount of their liability to the Company at the beginning of the year was £30,000 and at the end of the year is £30,000. The total remuneration for key management personnel for the year totalled £723,118 (2014: £780,276) being remuneration disclosed in note 5.

22. CONTROLLING PARTY

The ultimate controlling party is J Walsh.

23. EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issues by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. No accounting policies have changed as a consequence of adopting FRS 102.