AutoTrader

Trader Media Corporation (2003) Limited
and subsidiary undertakings

Directors' report and financial statements for the year ended 30 March 2014

Registered number: 3592155

Contents

Directors' Report

For the year ended 30 March 2014

The directors present their report and the audited financial statements of the group for the year ended 30 March 2014.

Principal activities

The principal activity of the group is online classified advertising of motor vehicles and other related products and services in the digital automotive marketplace. The group operates primarily in the UK, with a subsidiary company and branch in the Republic of Ireland.

Strategic report

The group's profit for the financial year was £75.6 million (2013: £48.1 million).

The group's profit on ordinary activities before taxation includes exceptional items for the gain on sale of a subsidiary undertaking of £27.9 million (2013: £nil) and profit on purchase of debt of £nil (2013: £0.3 million).

A final dividend of £145,384 per £0.10 ordinary share in respect of the year ended 30 March 2014 (2013: £nil) was paid during the year.

On 28 February 2014, Guardian Media Group sold their remaining 50.1% interest in Auto Trader Group Limited (formerly Trader Media Group Limited) to the existing shareholders Crystal A Holdco Sàrl and Crystal B Holdco Sàrl (collectively "Apax Partners") and Ed Williams. Additional disclosure on the transaction is given in the publicly available consolidated financial statements of Auto Trader Group Limited. The company remains a wholly owned subsidiary of Auto Trader Group Limited but the group is now ultimately controlled by Apax Partners through their 94% holding.

In connection with the transaction the group renegotiated its existing syndicated loan facility and extended certain maturity dates on this debt. A parent company also entered into a new Junior Debt Facility under which £358.4 million was drawn down on the same date. The net proceeds from the new debt and existing cash balances within the group were used to repay £490.9 million of loans to the shareholders.

More detailed coverage of the group's operating and financial review, financial risk management policy, principal risks and uncertainties, corporate governance structure and approach to corporate social responsibility is published on pages 1 to 22 of the financial statements of Auto Trader Group Limited (formerly Trader Media Group Limited), as all are managed on a group basis. As the financial statements of Auto Trader Group Limited are publicly available, the group has therefore not included disclosure of these items in its own financial statements.

The principal activity of the company is that of an intermediate holding and financing company within the Auto Trader Group Limited group of companies. The company and its subsidiary undertaking hold the syndicated bank debt of the group. Its registered office is Auto Trader House, Danehill, Lower Earley, Reading, RG6 4UT, United Kingdom.

Auto Trader Group Limited has indicated its intention to provide such ongoing financial support as is necessary for the company and group to continue in operation and to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Directors

The directors (holding group roles within the Auto Trader Group Limited group) who served during the year and up to the date of the signing of the financial statements were, unless otherwise stated as follows:

Trevor Mather	Managing Director (appointed 12 June 2013)
Sean Glithero	Finance Director
Zillah Byng-Maddick	Interim Chief Executive Officer (resigned 26 July 2013)
Tara Collet	Group Financial Controller

Operational Leadership Team of Auto Trader Group Limited at year end

The Operational Leadership Team ("OLT") comprises executives representing all areas and functions of the business and are responsible for strategy development and accountable for delivery of plans.

Key suppliers

The group works closely with a number of key suppliers. The majority of the group's websites, equipment and networks are hosted in datacentres managed by Getronics UK Limited and Telecity Group UK Limited. The contracts for these sites run until June 2015. Allegro Networks Limited provide the internet connection for the majority of the group's hosting environment and resilient connectivity between the data centres and Virgin Media provide the WAN links.

The group also has key contracts with CAP Automotive Limited and Experian Limited as both provide vehicle data and information to support the activities on the autotrader.co.uk and other group websites.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment within the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group. Employee representatives are consulted on a wide range of matters affecting their current and future interest. Information relevant to employees and the wider business is posted on the group intranet. The group also has a universal employee development scheme, focused on developing the potential of all staff members.

Health and safety

The group's policy of ensuring safe and pleasant working conditions for all employees, as far as possible within the constraints imposed by the working environment, has continued to operate. Health and safety representatives are present at each property from which the company operates, are managed centrally and meet on a regular basis. Over the past decade the group has created a solid health and safety framework and culture within the group.

Charitable donations

Donations to charities during the year totalled £0.1 million (2013: £0.1 million).

Land and buildings

The market value of land and buildings is estimated by the directors to be approximately £0.6 million greater than its balance sheet value of £2.8 million (2013: £0.3 million greater than balance sheet value of £2.8 million). Land and buildings exclude leasehold improvements.

Directors' indemnities

Qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and have confirmed their independence. The appointment of auditors is considered annually by the Audit Committee of Auto Trader Group Limited. Although PricewaterhouseCoopers LLP have been the group's auditors for eleven years, the Committee is satisfied with their effectiveness and independence. The Committee did not consider it necessary this year to conduct a tender process for the appointment of auditors.

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 prepared the group and parent company 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 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 judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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 the group 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

The directors confirm, in the case of each director in office at the date the directors' report is approved, that:

a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Registered address:
Auto Trader House
Cutbush Park Industrial Estate
Danehill
Lower Earley
Reading
Berkshire
RG6 4UT

The Directors' report and Strategic report are approved by the directors on 12 June 2014

SL Glithero

Sean Glithero
Director

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the group's and of the company's affairs as at 30 March 2014 and of the group's 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The group financial statements and company financial statements (the "financial statements"), which are prepared by Trader Media Corporation (2003) Limited, comprise:

- Consolidated and Company balance sheets as at 30 March 2014;
- Consolidated profit and loss account and statement of total recognised gains and losses for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 group's and 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 Directors' report, strategic report and financial statements (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.

Independent auditors' report to the members of Trader Media Corporation (2003) Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 5, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Matthew Hall

Matthew Hall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
12 June 2014

Consolidated profit and loss account

For the year ended 30 March 2014

	Note	2014 £m	2014 £m	2014 £m	Restated 2013 £m	Restated 2013 £m	Restated 2013 £m
		Continuing	Discontinued	Total	Continuing	Discontinued	Total
Turnover	2	237.7	10.7	248.4	218.9	32.9	251.8
Cost of sales		(7.0)	(2.7)	(9.7)	(4.4)	(9.0)	(13.4)
Gross profit		230.7	8.0	238.7	214.5	23.9	238.4
Administrative expenses		(140.7)	(4.2)	(144.9)	(118.5)	(15.8)	(134.3)
Operating profit	2	90.0	3.8	93.8	96.0	8.1	104.1
Non-operating exceptional items:							
Profit on sale of subsidiary undertaking	5			27.9			-
Non-operating exceptional items:							
Profit on purchase of debt	5			-			0.3
Interest receivable and similar income	3			0.7			0.3
Interest payable and similar charges	3			(38.9)			(31.7)
Profit on ordinary activities before taxation	4			83.5			73.0
Tax on profit on ordinary activities	8			(7.9)			(24.9)
Profit for the financial year	18,19			75.6			48.1

There are no material differences between the consolidated profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

Consolidated statement of total recognised gains and losses

For the year ended 30 March 2014

	Note	2014 £m	2013 £m
Profit for the financial year		75.6	48.1
Actuarial gain on pension scheme	20	-	0.6
Movement in deferred taxation relating to pension deficit	20	-	(0.2)
FRS20 credit/(charge)	18,19	0.7	(0.2)
Currency translation differences on foreign currency net investments	18,19	(0.4)	(0.3)
Total recognised gains and losses relating to the year		75.9	48.0

Consolidated balance sheet

As at 30 March 2014

	Note	2014 £m	2013 £m
Fixed assets			
Intangible assets	10	62.3	89.3
Tangible assets	11	27.6	29.0
Investments	12	-	3.2
		89.9	121.5
Current assets			
Debtors	13	483.3	471.1
Cash at bank and in hand		10.8	110.0
		494.1	581.1
Creditors: Amounts falling due within one year	14	(53.0)	(66.2)
Net current assets		441.1	514.9
Total assets less current liabilities		531.0	636.4
Creditors: Amounts falling due after more than one year	15	(632.0)	(672.3)
Provisions for liabilities	16	(13.6)	(9.1)
Net liabilities excluding pension asset		(114.6)	(45.0)
Pension asset	20	-	-
Net liabilities		(114.6)	(45.0)
Capital and reserves			
Called-up share capital	17	-	-
Share premium account	18	16.2	16.2
Profit and loss account	18	(130.8)	(61.2)
Total shareholder's deficit	19	(114.6)	(45.0)

The financial statements on pages 8 to 39 were approved by the board of directors on 12 June 2014 and signed on its behalf by:

S Glithero
Director

Registered number: 3592155

Company balance sheet

As at 30 March 2014

	Note	2014 £m	2013 £m
Fixed assets			
Investments	12	707.8	707.8
Current assets			
Debtors	13	20.7	40.7
Creditors: Amounts falling due within one year	14	(210.2)	(210.2)
Net current liabilities		(189.5)	(169.5)
Total assets less current liabilities		518.3	538.3
Net assets		518.3	538.3
Capital and reserves			
Called-up share capital	17	-	-
Share premium account	18	16.2	16.2
Profit and loss account	18	502.1	522.1
Total shareholder's funds	19	518.3	538.3

The financial statements on pages 8 to 39 were approved by the board of directors on 12 June 2014 and signed on its behalf by:

S Glithero
Director

Registered number: 3592155

1 Accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Auto Trader Group Limited (formerly Trader Media Group Limited) has indicated its intention to provide such ongoing financial support as is necessary for the company and group to continue in operation and to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

The principal accounting policies are set out below, all of which have been applied consistently throughout the year and the preceding year. Costs of £16.2 million have been reclassified from cost of sales to administrative expenses in the prior year to bring classification in line with the internal reporting. This change has also impacted on the categorisation of employees as set out in note 6.

In accordance with Section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account. The result of the company for the financial year is disclosed in note 18.

Basis of consolidation

The group financial statements consolidate the financial statements of Trader Media Corporation (2003) Limited (the company) and all of its subsidiary undertakings drawn up to 30 March 2014. For associated undertakings the group includes its share of profits and losses in the consolidated profit and loss account and its share of post acquisition retained profits or accumulated deficits in the consolidated balance sheet. The consolidated financial statements are based on financial statements which are coterminous with those of the parent company. Accounting policies have been applied consistently across the group. Intercompany transactions and balances between group companies are eliminated on consolidation.

The acquisition method of accounting has been adopted. Under this method, the results of subsidiary and associated undertakings acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Cash flow statement

The company is a wholly owned subsidiary of Auto Trader Group Limited (formerly Trader Media Group Limited), a company incorporated in England and Wales, and the cash flows of the company are included in the consolidated financial statements of that company, which are publicly available. Consequently the company has taken advantage of the exemption available under paragraph 5 of Financial Reporting Standard 1 *Cash Flow Statements (revised 1996)* from preparing a cash flow statement.

Debt

Debt is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing debt instrument is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, such that the difference in respective carrying amounts together with any costs or fees incurred are recognised in the profit and loss account.

1 Accounting policies (continued)

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date, or, if appropriate, at the forward contract rate. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss and taken to the profit and loss account in the period in which it arises.

The results of overseas operations are translated at the average rates of exchange during the year and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on retranslation of the opening net assets and results of overseas operations and on foreign currency borrowings, to the extent that they hedge the group's investment in such operations, are dealt with through reserves. All other exchange differences are included in the profit and loss account.

Intangible assets

Goodwill arising on consolidation (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised and written off over a period of approximately 20 years. This is deemed an appropriate period of amortisation for goodwill acquired by the group and provision is made for any impairment. Impairments are assessed when a triggering event has occurred by comparing the carrying value of the goodwill attributable to an income generating unit to its value in use.

Investments

Investments in subsidiary, associated and other undertakings are shown at cost less any provision for impairment. Dividends received are credited to the profit and loss account when the right to receive payment is established.

Annually, the directors consider whether any events or circumstances have occurred that could indicate that the carrying amount of fixed asset investments may not be recoverable. If such circumstances do exist, a full impairment review is undertaken to establish whether the carrying amount exceeds the higher of net realisable value or value in use. If this is the case, an impairment charge is recorded to reduce the carrying value of the related investment.

Dividends

Dividends on equity shares are recognised in the financial statements when they have been appropriately approved or authorised by the shareholders. Interim dividends declared by directors are recognised when paid.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit and loss account on a straight line basis over the period of the lease.

1 Accounting policies (continued)

Pension costs

Across the UK and overseas the group operates several pension schemes. All, except one, are defined contribution schemes. Within the UK, all pension schemes set up prior to 2001 have been closed to new members and only one defined contribution scheme is now open to new employees.

The group operates a defined benefit scheme, the assets of which are held separately from those of the group in independently administered funds. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the group's defined benefit scheme expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme's assets is included in other finance income. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of government securities, which have terms approximating those of the related pension liability. Actuarial gains and losses are recognised in the statement of total recognised gains and losses. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet net of the related deferred tax.

For defined contribution schemes the assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge to the profit and loss account represents contributions payable by the group to the fund in the year.

Provisions

A provision is recognised in the financial statements when an obligation exists at the balance sheet date, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of that obligation can be made. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted where the effect is material.

Related party transactions

Under the provisions of Financial Reporting Standard 8 *Related Party Disclosures*, the group is exempt from the requirement to disclose details of certain related party transactions as it is a wholly owned subsidiary of Auto Trader Group Limited (formerly Trader Media Group Limited), whose consolidated financial statements are publicly available.

Share based payments

Some of the group's employees have received share-based payment awards from the parent company, Auto Trader Group Limited (formerly Trader Media Group Limited). Equity settled awards are valued at grant date, and the difference between the grant date fair value and the consideration paid by the employee is charged as an expense in the profit and loss account spread over the vesting period. The credit side of the entry is recorded in equity. Cash settled awards are revalued at each reporting date with the fair value of the award charged to the profit and loss account over the vesting period and the credit side of the entry recognised as a liability. Movements in provisions for bad leavers which are cash settled are taken through reserves.

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life.

Land, buildings and leasehold improvements:	
Freehold buildings	50 years
Leasehold improvements	life of lease
Leasehold land and buildings	life of lease
Motor vehicles	5 years
Software, plant and equipment	3 - 10 years

Assets under construction are recorded as tangible fixed assets and are transferred to the appropriate tangible fixed asset classification when complete, and depreciated from that date.

Financial instruments

Interest payable or receivable on derivative financial instruments (primarily interest rate swaps) is recognised in the profit and loss account in line with the contractual dates. The fair values of derivative financial instruments are not recognised in the balance sheet.

Taxation

UK corporation tax and foreign 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 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred on the balance sheet date.

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

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

1 Accounting policies (continued)

Turnover

Turnover comprises:

- fees for advertising on the group's websites and web related activities, which are recognised on a straight line basis as the service is provided;
- dealer website build and hosting subscription fees, maintenance contracts and other subscription fees, which where invoiced in advance are deferred and recognised on a straight line basis over the period to which they relate; and
- fees for advertising in the group's publishing titles and the sale of the publications, which are recognised on the date of publication (discontinued operations).

Turnover is only recognised when considered recoverable and is stated net of discounts and value added tax. Accrued income is recognised where advertisements have been placed or services provided but an invoice has yet to be raised.

Website and software development costs

Development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are next updated, the costs of developing are charged to the profit and loss account as incurred.

2 Segmental analysis

Full segmental disclosures as would be required by SSAP 25 *Segmental Reporting* are detailed in the consolidated financial statements of the parent company, Auto Trader Group Limited (formerly Trader Media Group Limited). However segmental disclosures have been provided in these financial statements to assist with the understanding of the performance of the business in the current and previous year. Following the closure of the Magazines business and the sale of the South African subsidiary in the year, the group is now purely a digital business and the segments have been amended and comparative information restated.

The segments for turnover are as detailed below:

- Retailer – this segment comprises classified advertising sales to retailer customers and turnover from other products and services provided to retailers to support their online activities.
- Consumer – sales to private sellers for classified advertising on the group's websites. This segment also includes turnover from services directed at consumers relating to their motoring needs such as insurance and loan finance.
- Display – turnover from corporate customers, advertising agencies and retailers for placing display advertising on the group's websites either at a national or local level.

Operating costs (comprising cost of sales and administrative expenses) are managed on a group basis and hence only one UK and Ireland segment is shown for operating profit.

Discontinued operations comprise the closed Magazines business and the South African subsidiary, The Car Trader (Pty) Limited, that was sold during the year.

The analysis of turnover by destination is not materially different from turnover by origin as disclosed below.

The turnover in the Republic of Ireland is £4.9 million (2013: £4.8 million).

By class of business:

	Turnover	
		Restated
	2014	2013
	£m	£m
Continuing:		
Retailer	198.4	181.5
Consumer	29.1	27.8
Display	10.2	9.6
	237.7	218.9
Discontinued:		
Magazines	2.7	16.0
South Africa	8.0	16.9
	10.7	32.9
Total	248.4	251.8

2 Segmental analysis (continued)

	2014				
	Operating profit before depreciation, amortisation and impairment	Depreciation, amortisation and impairment	Operating profit	Non-operating exceptional items	Profit before interest and taxation
	£m	£m	£m	£m	£m
Continuing:					
UK and Ireland	131.2	(41.2)	90.0	-	90.0
Discontinued:					
Magazines	0.9	(0.1)	0.8	-	0.8
South Africa	3.6	(0.6)	3.0	27.9	30.9
	4.5	(0.7)	3.8	27.9	31.7
Total	135.7	(41.9)	93.8	27.9	121.7
Profit on purchase of debt					-
Net interest payable and similar income					(38.2)
Profit on ordinary activities before taxation					83.5

The profit on purchase of debt is detailed in note 5 as an exceptional item and has not been allocated against segments as it relates to debt held by the business as a whole.

2 Segmental analysis (continued)

	2013				
	Operating profit before depreciation, amortisation and impairment	Depreciation, amortisation and impairment	Operating profit	Non-operating exceptional items	Profit before interest and taxation
	£m	£m	£m	£m	£m
Continuing:					
UK and Ireland	125.1	(29.1)	96.0	-	96.0
Discontinued:					
Magazines	3.1	(1.5)	1.6	-	1.6
South Africa	7.6	(1.1)	6.5	-	6.5
	10.7	(2.6)	8.1	-	8.1
Total	135.8	(31.7)	104.1	-	104.1
Profit on purchase of debt					0.3
Net interest payable and similar income					(31.4)
Profit on ordinary activities before taxation					73.0

Geographical segmental analysis:

	Turnover	
	2014	Restated 2013
	£m	£m
Continuing:		
UK and Ireland	237.7	218.9
Discontinued:		
UK and Ireland	2.7	16.0
Rest of World	8.0	16.9
	10.7	32.9
Total	248.4	251.8

3 Interest

	2014 £m	2013 £m
Interest receivable and similar income		
On bank balances	0.7	0.3
	0.7	0.3
Interest payable and similar charges		
On bank loans and overdrafts	26.6	30.2
On financial instruments	1.4	1.5
Other interest payable	0.1	-
Debt issue costs	10.8	-
	38.9	31.7

Debt issue costs relate to fees incurred in connection with the refinancing of the group (note 15).

4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2014 £m	2013 £m
Depreciation of owned tangible fixed assets (note 11)	13.6	14.5
Impairment of owned tangible fixed assets (note 11)	1.8	0.2
Amortisation of goodwill (note 10)	13.4	16.3
Impairment of goodwill (note 10)	9.9	0.7
Impairment of fixed asset investment (note 12)	3.2	-
Operating lease rentals - other	3.3	3.9

The group has incurred restructuring costs of £9.4 million in relation to redundancies, property and other costs for the relocation of offices in the UK and other reorganisation costs.

4 Profit on ordinary activities before taxation (continued)

Services provided by the group's auditor

	2014 £m	2013 £m
Fees payable for the audit of the company's financial statements	-	-
Fees payable for other services:		
- For the audit of the financial statements of subsidiaries of the company pursuant to legislation (including that of countries and territories outside Great Britain)	0.2	0.2
- tax advisory services	0.1	0.1
- services relating to completed and proposed corporate finance transactions	0.1	0.3
- other non-audit services	-	0.2
	0.4	0.8

5 Exceptional items

	2014 £m	2013 £m
Profit on sale of subsidiary undertaking	27.9	-
Profit on purchase of debt	-	0.3
	27.9	0.3

Attributable to these exceptional items is a tax charge of £nil (2013: £nil).

On 9 October 2013, the group sold The Car Trader (Pty) Limited, a wholly owned subsidiary undertaking, for net cash proceeds of £36.4 million (note 10). The Magazines business in the UK and Ireland was closed at the end of June 2013 with the final magazines published on 28 June 2013. As a result of the material change in the nature and focus of the group's operations that this closure and disposal represented, both have been treated as discontinued operations in the profit and loss account. Further information relating to the discontinued activities can be found in note 2.

At various times during the year the group purchased part of the debt issued by Trader Media Corporation Limited, a subsidiary undertaking. The purchase of this debt, while an arms length transaction from parties external to the group, was at a discount to the debt's nominal value. This resulted in a profit to the group of £nil in the year (2013: £0.3 million).

6 Employee information

The average monthly number of employees in the group (including executive directors) was as follows:

	Full time equivalent 2014	Restated 2013
Administration	203	274
Sales and service	527	710
Technology	353	384
	1,083	1,368

The employee numbers in the prior year have been restated (note 1).

Their aggregate remuneration comprised:

	2014 £m	2013 £m
Wages and salaries	51.9	56.6
Social security costs	5.1	5.6
Other pension costs (note 20)	1.9	1.9
	58.9	64.1

Employee remuneration includes £4.1 million (2013: £7.3 million) of salary costs capitalised as part of developed software.

The company had no employees during the year (2013: nil). As such, no staff costs arose during either year.

7 Directors' remuneration

The directors who served in the year, the companies for which they received remuneration for their services as directors and the financial statements in which their remuneration is disclosed are as follows:

Director	Services as director of:	Disclosure
Trevor Mather, Sean Glithero and Zillah Byng-Maddick	Auto Trader Group Limited (formerly Trader Media Group Limited) and subsidiary undertakings	Auto Trader Group Limited (formerly Trader Media Group Limited) and subsidiary undertakings
Tara Collet	Trader Media Group (2003) Limited and subsidiary undertakings	Trader Media Group (2003) Limited

The allocation of this remuneration in relation to their services as directors of the company and its subsidiaries was as follows:

	2014 £m	2013 £m
Directors' emoluments	2.5	1.0
Compensation for loss of office	0.2	0.8
Pension contributions	0.1	0.1
	2.8	1.9

4 directors (2013: 3) were members of the group's defined contribution scheme.

All the above remuneration was paid by Auto Trader Limited (formerly Trader Publishing Limited), a group company and has not been recharged to the company. The allocation of this remuneration in relation to their services as a director of the company was £288,000 (2013: £55,000).

The remuneration of the highest paid director was as follows:	2014 £m	2013 £m
Aggregate emoluments	1.8	1.0

8 Tax on profit on ordinary activities

Current taxation	2014 £m	2013 £m
UK corporation taxation	7.0	24.2
Foreign taxation	1.1	2.4
Relief for foreign taxation	-	(0.3)
Adjustments in respect of prior years	(0.6)	(0.3)
Total current taxation	7.5	26.0
Deferred taxation		
Origination and reversal of timing differences	(0.8)	(1.5)
Effect of rate changes on deferred taxation	0.7	0.2
Adjustment in respect of prior years	0.5	0.2
Total deferred taxation (note 13)	0.4	(1.1)
Total taxation charge for the year	7.9	24.9

The tax assessed for the year is lower (2013: higher) than the standard rate of corporation tax in the UK of 23% (2013: 24%).

The differences between the total current taxation shown above and the amount calculated by applying the standard rate of UK corporation taxation to the profit before taxation are as follows:

	2014 £m	2013 £m
Profit on ordinary activities before taxation	83.5	73.0
Tax on profit on ordinary activities at the standard UK corporation tax rate of 23% (2013: 24%)	19.2	17.5
Expenses not deductible for taxation purposes	7.5	7.1
Depreciation in excess of capital allowances and other timing differences	0.9	1.5
Income not subject to taxation	(6.4)	-
Adjustments in respect of foreign tax rates	0.1	0.2
Adjustments to taxation charge in respect of prior years	(0.6)	(0.3)
Group relief for nil consideration	(13.2)	-
Current taxation charge for the year	7.5	26.0

The group earns its profits primarily in the UK, therefore the rate used for taxation is the standard rate for UK corporation tax.

During the year, as a result of the changes in the UK corporation tax rate to 21% from 1 April 2014 and to 20% from 1 April 2015, which were substantively enacted on 2 July 2013, the relevant deferred tax balances have been re-measured.

9 Dividends

	2014 £m	2013 £m
Equity shares		
Final paid of £145,384 (2013: £nil) per £0.10 ordinary share	145.5	-

10 Intangible fixed assets

Group

	Goodwill £m
Cost	
At beginning of year	646.5
Disposals	(374.5)
At end of year	272.0
Accumulated amortisation	
At beginning of year	557.2
Charge for year	13.4
Impairment	9.9
Disposals	(370.8)
At end of year	209.7
Net book value	
At end of year	62.3
At beginning of year	89.3

An impairment loss of £9.9 million (2013: £0.7 million) was charged in the year relating to 2nd Byte, a business unit that will be closed in the next financial year. The impairment loss was measured by reference to the calculated value in use of each income generating unit ("IGU") based on the most recent three year plan for the business. Goodwill has been allocated to IGUs using an earnings before interest, tax, depreciation and amortisation weighting except where new IGUs arise as a result of an acquisition, in which case the goodwill arising on that acquisition is allocated to the IGU.

The nominal discount rates used to measure each IGU that has been impaired ranged from 13.2% to 16.5% (2013: 13.2% to 18.5%). The inflation rates which have been applied to the IGUs are 0.2% to 2% (2013: 1.2% to 5.7%). A reasonable possible change in these assumptions would not result in a material change to the value of the impairments.

The company had no intangible fixed assets at 30 March 2014 (2013: £nil).

10 Intangible fixed assets (continued)

The majority of the goodwill disposals related to the Magazines business that was closed during the year, and this was all held at nil net book value.

On 9 October 2013 the group disposed 100% of the issued ordinary share capital of The Car Trader (Pty) Limited for cash consideration of £36.4 million.

	£m
Tangible fixed assets	1.2
Goodwill	3.7
Debtors	1.0
Cash at bank and in hand	4.0
Creditors	(1.4)
	8.5
Profit on sale of subsidiary undertaking (note 5)	27.9
Cash consideration	36.4

11 Tangible fixed assets

Group	Assets under construction £m	Land, buildings and leasehold improvements £m	Software, plant and equipment £m	Motor vehicles £m	Total £m
Cost					
At beginning of year	7.0	6.3	71.4	0.1	84.8
Additions for the year	10.7	-	4.6	-	15.3
Disposals	-	(0.7)	(14.0)	(0.1)	(14.8)
Assets brought into use	(8.0)	-	8.0	-	-
At end of year	9.7	5.6	70.0	-	85.3
Accumulated depreciation					
At beginning of year	-	3.1	52.6	0.1	55.8
Charge for the year	-	0.2	13.4	-	13.6
Impairment	-	0.1	1.7	-	1.8
Disposals	-	(0.6)	(12.8)	(0.1)	(13.5)
At end of year	-	2.8	54.9	-	57.7
Net book value					
At end of year	9.7	2.8	15.1	-	27.6
At beginning of year	7.0	3.2	18.8	-	29.0

The net book value of land, buildings and leasehold improvements comprises:

	2014 £m	2013 £m
Freehold	0.5	0.5
Long leasehold	2.3	2.3
Leasehold improvements	-	0.4
	2.8	3.2

Land, buildings and leasehold improvements includes £2.2 million (2013: £2.5 million) of depreciable assets.

Assets under construction include £8.7 million of software and website development costs (2013: £7.0 million).

An impairment of £1.8 million (2013: £0.2 million) has been recorded against certain assets due to the planned closure of a business unit and the consolidation of the majority of the group's offices into two central locations.

The company had no tangible fixed assets at 30 March 2014 (2013: £nil).

12 Fixed asset investments

Shares in other undertakings	Group £m
Cost	
At beginning and end of year	3.2
Provision for impairment	
At beginning of year	-
Impairment	3.2
At end of year	3.2
Net book value	
At end of year	-
At beginning of year	3.2

The group holds a 22.7% interest in the preferred share capital of IAUTOS Company Limited. IAUTOS Company Limited is an intermediate holding company through which are held trading companies incorporated in the People's Republic of China. This investment has been fully impaired in the year as the Chinese trading companies are loss making with forecasted future cash outflows due to slower development of the used car market in China..

Shares in subsidiary undertakings	Company £m
Cost and net book value	
At beginning and end of the year	707.8

The company owns 100% of the ordinary share capital of Trader Media Corporation Limited, a financing company registered in England and Wales.

The company holds the following principal subsidiaries through its interest in Trader Media Corporation Limited:

Subsidiary undertakings	**Country of registration or incorporation**	**Principal activity**	**Class of shares held**	**Percentage owned**
Trader Finance (2009) Limited	England and Wales	Financing	Ordinary	100%
Auto Trader Limited (formerly Trader Publishing Limited)	England and Wales	Classified advertising	Ordinary	100%
Webzone Limited	Republic of Ireland	Classified advertising	Ordinary	100%

The Car Trader (Pty) Limited was sold on 9 October 2013.

The directors believe that the carrying value of fixed asset investments is supported by the value of their future cash flows.

13 Debtors

	Group 2014 £m	Company 2014 £m	Group 2013 £m	Company 2013 £m
Trade debtors	40.3	-	28.8	-
Deferred tax asset	4.7	-	5.2	-
Amounts owed by group undertakings	430.9	20.7	431.0	40.7
Amounts owed by related undertakings	-	-	0.1	-
Other debtors	0.1	-	0.2	-
Prepayments and accrued income	7.3	-	5.8	-
	483.3	20.7	471.1	40.7

Amounts owed by group undertakings are non-interest bearing, unsecured and repayable on demand and include a £423.5 million (2013: £423.5 million) shareholder loan with a parent undertaking.

Deferred tax	Group 2014 £m	Group 2013 £m
At beginning of year	5.2	4.1
(Charged)/credited to the profit and loss account	(0.4)	1.1
On disposal of subsidiary undertaking	(0.1)	-
At end of year	4.7	5.2
Deferred tax is provided as follows:		
Accelerated capital allowances	4.6	4.8
Other timing differences	0.1	0.4
	4.7	5.2
Deferred tax asset relating to pension asset:		
At beginning of year	-	0.2
Deferred tax charged to the statement of total recognised gains and losses: on actuarial gain	-	(0.2)
At end of year	-	-

14 Creditors: Amounts falling due within one year

	Group 2014 £m	Company 2014 £m	Group 2013 £m	Company 2013 £m
Trade creditors	6.6	-	7.0	-
Amounts owed to group undertakings	16.0	210.2	23.9	210.2
Corporation tax	5.0	-	8.5	-
Other taxation and social security	7.2	-	7.9	-
Other creditors	0.6	-	0.5	-
Accruals and deferred income	17.6	-	18.4	-
	53.0	210.2	66.2	210.2

Amounts owed to group and related undertakings by the group are non-interest bearing, unsecured and are repayable on demand.

15 Creditors: Amounts falling due after more than one year

	Group 2014 £m	Group 2013 £m
Syndicated bank loans	632.0	672.3

Syndicated bank loans are repayable as follows:

	Group 2014 £m	Group 2013 £m
Within 2 to 5 years	632.0	672.3

15 Creditors: Amounts falling due after more than one year (continued)

On 28 February 2014 the group refinanced the syndicated loan facility as part of the overall refinancing of the group. £267.0 million of the bank debt was transferred to a new tranche B4 which will expire in December 2017. All of the remaining debt is within tranche B2X with a maturity of June 2017.

In connection with the refinancing of the syndicated loan facility, the group incurred fees of £10.8 million (2013: £nil). These have been expensed in full in the year as the directors believe the refinancing represents an extinguishment of the previous debt facility.

Interest on the bank debt and amounts owed to group undertakings disclosed above was charged at LIBOR plus a margin of between 2% and 4.5% (2013: 2% and 4.75%) depending on the consolidated leverage ratio of Trader Media Corporation (2003) Limited up to 28 February 2014. Following the renegotiation of the facility the interest is charged at LIBOR plus a margin of between 4.25% and 4.5% based on the consolidated leverage ratio of Trader Media Group Holdings Limited. This calculation encompasses the new junior debt of £358.4 million drawn down by a parent company on 28 February 2014.

Whilst repayments can be made without penalty under the syndicated loan facility, there is no requirement to settle all or part of the debt earlier than the termination dates.

During the year a subsidiary undertaking purchased £7.6 million (2013: £11.4 million) of the syndicated bank loans. The purchase of this debt, while an arms length transaction from parties external to the group, was at a discount to the debt's nominal value and a gain of £nil (2013: £0.3 million) after transaction costs has been recognised in the income statement (note 5).

A £35 million revolving credit and other facilities are available but undrawn at the balance sheet date. If utilised these facilities would incur interest at LIBOR plus a margin of 3.75% (2013: between 1.25% and 3%).

The company and certain subsidiaries have jointly and severally guaranteed the borrowings under the syndicated debt facility (note 22).

The group has elected to hedge a proportion of the bank debt by the purchase of interest rate swaps. The notional principal amount of the outstanding interest rate swap contracts at the balance sheet date was £335,000,000 (2013: £190,000,000). At 30 March 2014 the company pays fixed interest rates on the swaps of 1.2945% and 1.35% and receives LIBOR. The fair values of the interest rate swaps at the balance sheet date were a liability of £592,000 (2013: £2,133,000). These fair values have not been recognised in the balance sheet.

The company had no creditors falling due after more than one year at 30 March 2014 (2013: £nil).

16 Provisions for liabilities

	Share based payments and employee incentive provision £m	Onerous lease and dilapidations provision £m	Restructuring provision £m	Total £m
Group				
At beginning of year	2.9	2.5	3.7	9.1
Charged to the profit and loss account	1.5	4.8	4.9	11.2
Credited to the statement of total recognised gains and losses	(0.7)	-	-	(0.7)
Utilised in the year	-	(0.8)	(3.1)	(3.9)
Released in the year	(0.9)	(0.3)	(0.9)	(2.1)
At end of year	2.8	6.2	4.6	13.6

The share based payments and employee incentive provision comprises amounts that may be payable to senior management shareholders on leaving the group in accordance with note 21 and other incentives payable to employees and senior management.

The onerous lease provision has provided for future payments under property leases in respect of unoccupied properties no longer suitable for the group's use. The onerous leases expire between August 2014 and January 2017. Dilapidations have been provided for on all United Kingdom and Ireland properties based on the estimate of costs upon exit of the leases, which expire between August 2014 and February 2029.

The restructuring provision relates to redundancy and other costs concerning the relocation of offices in the UK and other key reorganisations.

The company had no provision for liabilities at 30 March 2014 (2013: £nil).

17 Called-up share capital

	2014 £m	2013 £m
Allotted, called-up and fully-paid		
1,001 ordinary shares of 10p each	-	-

18 Reserves

Group	Share premium account £m	Profit and loss account £m
At beginning of year	16.2	(61.2)
Profit for the financial year	-	75.6
Dividend paid	-	(145.5)
FRS20 credit	-	0.7
Currency translation differences on foreign currency net investments	-	(0.4)
At end of year	16.2	(130.8)

Company	Share premium account £m	Profit and loss account £m
At beginning of year	16.2	522.1
Profit for the financial year	-	125.5
Dividend paid	-	(145.5)
At end of year	16.2	502.1

19 Reconciliation of movements in total shareholder's (deficit)/funds

	Group 2014 £m	Company 2014 £m	Group 2013 £m	Company 2013 £m
Profit/(loss) for the financial year	75.6	125.5	48.1	(0.1)
Dividend paid	(145.5)	(145.5)	-	-
Actuarial gain on pension scheme net of tax	-	-	0.4	-
Other recognised gains and losses	0.3	-	(0.5)	-
Net change in shareholder's funds	(69.6)	(20.0)	48.0	(0.1)
Opening total shareholder's (deficit)/funds	(45.0)	538.3	(93.0)	538.4
Closing total shareholder's (deficit)/funds	(114.6)	518.3	(45.0)	538.3

20 Pension arrangements

Across the UK and Ireland the group operates several pension schemes. All, except one, are defined contribution schemes. Within the UK, all pension schemes set up prior to 2001 have been closed to new members and only one defined contribution scheme is now open to new employees.

The pension contributions to the group defined contribution scheme for the year amounted to £1.9 million (2013: £1.9 million). There are £0.3 million (2013: £0.3 million) pension contributions outstanding relating to the group defined contribution scheme. A similar level of contributions is expected to continue in the next year.

The "Wiltshire (Bristol) Limited Retirement Benefits Scheme" provides benefits based on final pensionable pay and this wholly funded scheme was closed to new joiners with effect from May 2002. New employees after that date have been offered membership of the group's defined contribution scheme. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. Under the projected unit method the current service cost will increase as the members of the scheme approach retirement. The most recent actuarial valuation was at 1 May 2012.

The pension contributions for the year amounted to £nil (2013: £0.2 million). It is expected that no further contributions will be made.

This actuarial valuation was updated at 30 March 2014 by AON, an independent qualified actuary, and the major assumptions used for this FRS 17 *Retirement Benefits* valuation were (in nominal terms):

	2014 %	2013 %
Rate of increase in salaries	-	-
Rate of increase in pensions in payment	3.40	3.65
Rate of increase of deferred pensions	2.60	2.85
Discount rate	4.30	4.40
Inflation assumption	3.60	3.65

The group has assumed that mortality will be in line with nationally published mortality table S1NA related to members' years of birth with a long term improvement of 1.5% per annum. These tables translate into an average life expectancy for a pensioner retiring at age 65 as follows:

	2014 Years	2013 Years
Life expectancy at age 65 for current pensioners		
- Male	88	88
- Female	90	90
Life expectancy at age 65 for future pensioners		
- Male	90	90
- Female	93	93

20 Pension arrangements (continued)

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at the balance sheet date were:

	2014 %	2014 £m	2013 %	2013 £m
Equities		9.3		9.3
Bonds		6.7		6.2
Real estate		0.9		0.8
Total fair value of assets	6.1	16.9	5.1	16.3
Present value of scheme liabilities		(15.7)		(15.8)
Surplus in the scheme		1.2		0.5
Effect of surplus cap		(1.2)		(0.5)
Net pension asset		-		-

The overall expected rate of return on scheme assets is a weighted average of the individual expected rates of return on each asset class.

The surplus in the scheme at the year end is not considered recoverable.

Reconciliation of present value of scheme liabilities:

	2014 £m	2013 £m
At beginning of year	15.8	15.2
Interest cost	0.7	0.7
Benefits paid	(0.4)	(0.5)
Actuarial (gain)/loss	(0.4)	0.4
At end of year	15.7	15.8

Reconciliation of fair value of scheme assets:

	2014 £m	2013 £m
At beginning of year	16.3	14.4
Expected return on scheme assets	0.7	0.7
Actuarial gain	0.3	1.5
Employer contribution	-	0.2
Benefits paid	(0.4)	(0.5)
At end of year	16.9	16.3

20 Pension arrangements (continued)

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

	2014 £m	2013 £m
Expected return on pension scheme assets	0.7	0.7
Interest on pension liabilities	(0.7)	(0.7)
Net finance income	-	-

There has been no current service cost in the current year. No current service cost is expected in the next year.

Analysis of amounts recognised in the statement of total recognised gains and losses:

	2014 £m	2013 £m
Actuarial gain on pension scheme assets	0.3	1.5
Actuarial gain/(loss) on pension scheme liabilities	0.4	(0.4)
Actuarial gain	0.7	1.1
Reversal of movement in surplus cap	(0.7)	(0.5)
Net actuarial gain recognised in the statement of recognised gains and losses	-	0.6

History of experience gains and losses:

	2014 £m	2013 £m	2012 £m	2011 £m	2010 £m
Experience adjustments on scheme assets	0.3	1.5	(0.2)	0.1	3.3
Experience adjustments on scheme liabilities	-	1.2	(0.2)	(0.1)	0.3
Total actuarial gain/(loss) recognised in the statement of total recognised gains and losses	0.7	1.1	(0.9)	(0.5)	0.4
Defined benefit obligation	(15.7)	(15.8)	(15.2)	(13.9)	(12.6)
Plan assets	16.9	16.3	14.4	14.0	13.0
Surplus/(deficit) in the scheme	1.2	0.5	(0.8)	0.1	0.4

21 Share based payments

A number of the group's senior managers had been invited to become shareholders in the parent company, Auto Trader Group Limited (formerly Trader Media Group Limited) in previous years. No shares were issued to or repurchased from managers during the year. In the previous year 1,296 ordinary D shares were issued for cash consideration at fair value.

The Articles of Association of Auto Trader Group Limited define "Good Leavers" and "Bad Leavers" where a Bad Leaver is an employee-shareholder leaving the business because of voluntary resignation, summary dismissal or in breach of restrictive covenants within 12 months of leaving. All other employee-shareholders leaving the business are Good Leavers.

On leaving the business, the Articles require that C and D shareholders sell their shares to such persons as may be nominated by the Board of Directors of Trader Media Group Limited. A Bad Leaver receives the lower of fair value and the cost for which the shares were acquired. A Good Leaver receives a value determined as follows:

(a) if the Good Leaver leaves within eighteen months of acquiring the shares, they will receive the lower of fair value and the cost for which the shares were acquired;
(b) if the Good Leaver leaves between eighteen months and four years of acquiring the shares, they will receive the lower of fair value and cost between 62.5% and 0% of their shares, determined on a straight line basis by reference to the period of months before leaving. They will receive fair value for the remainder of their shares;
(c) if the Good Leaver leaves after four years from acquiring the shares, they will receive fair value for their total shareholding.

During the year, Auto Trader Group Limited has repurchased the shares of no leavers (2013: 1). This repurchase in the previous year was considered to be cash settled. The remaining shares are deemed to be equity settled and the shares are deemed to have vested on issue. A number of shares held by management have been purchased by another shareholder, Crystal B TopCo Sàrl, during the year which has resulted in £0.7 million (2013: £nil) of the share based payments provision to be released.

No expense was recognised in the previous year as the consideration received for the ordinary C and D shares was equal to or greater than the fair value of the shares.

22 Financial commitments and contingent liabilities

Capital expenditure contracted for at the end of the reporting year but not yet incurred is as follows:

	Group 2014 £m	Group 2013 £m
Tangible fixed assets	3.8	0.1

Capital commitments relate to the purchase of software, plant and equipment and improvements to leasehold buildings.

Annual commitments of the group under non-cancellable operating leases are as follows:

	Land and buildings		Other	
Group	2014 £m	2013 £m	2014 £m	2013 £m
Operating leases which expire:				
- within one year	0.3	0.1	0.1	0.1
- between two and five years	1.5	2.3	0.8	1.1
- over five year	0.1	-	-	-
	1.9	2.4	0.9	1.2

The company had no capital or annual commitments under non-cancellable operating leases at 30 March 2014 (2013: £nil).

Credit commitments

The company and certain subsidiaries (listed below) have jointly and severally guaranteed the borrowings under the syndicated debt facility and junior debt facility (note 15).

2nd Byte Limited
Auto Trader Holland Limited
Faxpress Limited
Hurst Italia Limited
Trader Media Corporation Limited
Trader Media (Earls Court) Group Limited
Trader Media (Earls Court) Holdings Limited
Auto Trader Limited (formerly Trader Publishing Limited)

23 Ultimate controlling parties

The company's immediate parent company is Trader Media Finance Limited, which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Auto Trader Group Limited (formerly Trader Media Group Limited). The consolidated financial statements are available to the public and will be filed with the registrar of companies. There are no intermediate group companies that consolidate the results of the company.

The company is jointly controlled by Crystal A TopCo Sàrl (indirectly holding 33.6% of the ordinary shares) and Crystal B TopCo Sàrl (indirectly holding 60.3% of the ordinary shares). Crystal A TopCo Sàrl and Crystal B TopCo Sàrl (companies operated by Apax Partners, a private equity firm) are incorporated under the laws of Luxembourg.