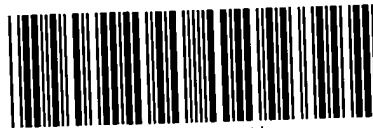

CITYWIRE FINANCIAL PUBLISHERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

FRIDAY



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28/09/2018
COMPANIES HOUSE

CITYWIRE FINANCIAL PUBLISHERS LIMITED

COMPANY INFORMATION

Directors	Lawrence Lever David Turner Nicholas Collard George Ball
Registered number	03828440
Registered office	1st Floor 87 Vauxhall Walk London SE11 5HJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 101 Cambridge Science Park Milton Road Cambridge Cambridgeshire CB4 0FY
Bankers	Svenska Handelsbanken (AB (publ)) 3rd Floor 11-15 Borough High Street London SE1 9SE

CITYWIRE FINANCIAL PUBLISHERS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 22

CITYWIRE FINANCIAL PUBLISHERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Introduction

Citywire Financial Publishers, ("Citywire") operates websites, publishes financial magazines for professional investors and holds events.

Business review

Citywire is an independent financial publishing business. Our philosophy is to produce valuable content to help people make better financial decisions.

Citywire's business activities encompass the following:

Data: we create and sell data on the performance of individual fund managers. Our database has the career histories of over 15,000 individual managers running funds in over 40 countries.

Publications: we have print titles aimed at professional investors. These are controlled circulation and attract advertising from financial services groups. The two weeklies are called New Model Adviser and Citywire Wealth Manager, while the monthly is Citywire Selector. We also have publications published in Italy, Germany, Asia, and the US domestic market.

Events: we hold Events in both the UK and internationally. Both segments performed strongly.

Online: we run and operate over 40 websites which serve primarily professional investor communities with UK trade being particularly strong.

Content: we create content typically for corporate third parties who put it in front of their customers.

Our customers tend to be asset management groups, and other financial services businesses.

Principal risks and uncertainties

The following risks could impact our future performance:

Attracting and retaining the right number of good quality staff

We spend a long time on recruiting the right staff with interviews, psychometric and IQ tests. We strive to make Citywire an attractive place to work with a range of benefits, extra-curricular activities and focused attention on each individual's performance.

Information is an asset that Citywire has a duty and responsibility to protect

The availability of complete and accurate information is essential to the Organisation functioning in an efficient manner and to providing products and services to customers.

Our Information Security Policy sets out a framework for protecting Citywire's information assets:

- to protect Citywire's information from all threats, whether internal or external, deliberate or accidental
- to enable secure information sharing
- to encourage consistent and professional use of information
- to ensure business continuity and minimise business damage
- to protect the organisation from legal liability and the inappropriate use of information

CITYWIRE FINANCIAL PUBLISHERS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Financial key performance indicators

	2017	2016
Annualised sales growth/(decline)	4%	(5%)
Net profit margin on ordinary activities before taxation	19%	15%

Financial performance and risk management

Citywire Financial Publishers Limited qualifies as a medium sized company.

We are a profitable, cash generative business. The company has no bank borrowing and substantial cash resources. Up until now all growth has been organic.

Results and dividends

The company made a profit after taxation of £5,138,992 (2016: Profit £3,595,126). Dividends of £5,000,000 (2016: £3,000,000) were proposed and paid during the year.

Personnel

We continue to attract very high quality people to Citywire. We continue to invest in IT, production, office management, research, business intelligence, sales, and editorial resources.

Awards and surveys

Citywire and its journalists continue to win awards. By way of example in 2017:

A number of our journalists won individual awards. Citywire's New Model Adviser magazine won the Personal Finance Society (PFS) trade press personal finance publication of the year and favoured weekly trade publication in the PIMS UK readership survey.

Future prospects

Citywire continues to expand its operations outside of the UK, where we have seen significant growth. We are therefore hoping to see further growth in both revenues and profit in 2018.

This report was approved by the board on 26 September 2018 and signed on its behalf.



Lawrence Lever
Director

CITYWIRE FINANCIAL PUBLISHERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 will continue in business.

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

The directors are 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.

Directors

The directors who served during the year were:

Lawrence Lever
David Turner
Nicholas Collard
George Ball

None of the directors had any material interest in any significant contract with the company. The company has taken the exemption available to it not to disclose the interests of the directors in the shares of its ultimate parent undertaking.

Donations

During the year, the group made charitable donations of £16,860 (2016: £26,497).

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Disclosure of information to auditor

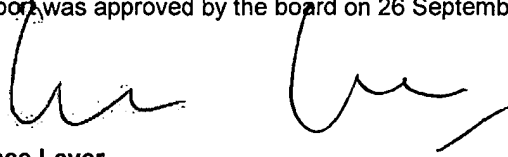
The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

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

This report was approved by the board on 26 September 2018 and signed on its behalf.



Lawrence Lever
Director



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITYWIRE FINANCIAL PUBLISHERS
LIMITED**

Opinion

We have audited the financial statements of Citywire Financial Publishers Limited for the year ended 31 December 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITYWIRE FINANCIAL PUBLISHERS
LIMITED (CONTINUED)**

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report by the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Matters on which we are required to report by exception

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITYWIRE FINANCIAL PUBLISHERS
LIMITED (CONTINUED)**

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

GT TL JL LLP

Paul Naylor BA ACA
Senior statutory auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cambridge

28 September 2018

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	4	30,741,532	29,640,128
Administrative expenses		(24,660,945)	(25,194,279)
Operating profit	5	6,080,587	4,445,849
Interest receivable and similar income		3,410	71
Profit before tax		6,083,997	4,445,920
Tax on profit	9	(945,005)	(850,794)
Profit for the financial year		5,138,992	3,595,126

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016: £Nil).

The notes on pages 11 to 22 form part of these financial statements.

CITYWIRE FINANCIAL PUBLISHERS LIMITED
REGISTERED NUMBER:03828440

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	11	56,113	45,127
		<u>56,113</u>	<u>45,127</u>
Current assets			
Debtors: amounts falling due within one year	12	32,727,968	33,212,893
Cash at bank and in hand	13	2,508,707	1,484,207
		<u>35,236,675</u>	<u>34,697,100</u>
Creditors: amounts falling due within one year	14	(28,689,224)	(28,277,655)
Net current assets		<u>6,547,451</u>	<u>6,419,445</u>
Total assets less current liabilities		<u>6,603,564</u>	<u>6,464,572</u>
Creditors: amounts falling due after more than one year	15	(2,005,487)	(2,005,487)
Net assets		<u><u>4,598,077</u></u>	<u><u>4,459,085</u></u>
Capital and reserves			
Called up share capital	16	30,224	30,224
Profit and loss account	17	4,567,853	4,428,861
		<u><u>4,598,077</u></u>	<u><u>4,459,085</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2018.


Lawrence Lever
 Director

The notes on pages 11 to 22 form part of these financial statements.

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	30,224	4,428,861	4,459,085
Comprehensive income for the year			
Profit for the year	-	5,138,992	5,138,992
Dividends: Equity capital	-	(5,000,000)	(5,000,000)
At 31 December 2017	30,224	4,567,853	4,598,077

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	30,224	3,833,735	3,863,959
Comprehensive income for the year			
Profit for the year	-	3,595,126	3,595,126
Dividends: Equity capital	-	(3,000,000)	(3,000,000)
At 31 December 2016	30,224	4,428,861	4,459,085

The notes on pages 11 to 22 form part of these financial statements.

CITYWIRE FINANCIAL PUBLISHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Citywire Financial Publishers Limited is a limited liability company incorporated in England and Wales and is a wholly owned subsidiary of Citywire Holdings Limited, which is the ultimate parent undertaking. The address of the registered office of both companies is 1st Floor, 87 Vauxhall Walk, London SE11 5HJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Citywire Holdings Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

2.3 Going concern

Current year performance in addition to the projected operating results for the next five years provide the directors with a reasonable expectation that the Company can continue in operational existence in the foreseeable future - being a period of at least 12 months from the date of signing. As a result, the Company has adopted the going concern basis of accounting.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue represents amounts mainly derived from events, subscriptions and advertising and is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Events – revenue generated through sponsorship of events is recognised upon completion of the event. Amounts received or invoiced in advance are included within deferred income.

Licensing – revenue comprises annual subscription fees for the provision of financial information and analytics and is recognised over the period in which the service is provided. Amounts received in advance of the provision of services are included within deferred income.

Advertising (online) – revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of revenue can be reliably measured;
- It is probable that the group will receive the consideration due under the contract.

Advertising (print) – revenue generated from magazine advertising is recognised upon publication of the magazine.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

CITYWIRE FINANCIAL PUBLISHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.14 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Certain of the amounts included in the financial statements involve the use of judgement and/or estimation.

These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies.

Management have made a judgment not to include a charge relating to share based payments in the Statement of Comprehensive Income, due to the immaterial effect the charge would have on the financial statements.

4. Turnover

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

	2017 £	2016 £
Advertising (print and digital)	12,032,630	13,530,200
Licensing and Events	18,708,902	16,109,928
	<u>30,741,532</u>	<u>29,640,128</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	18,080,138	17,976,367
Rest of Europe	10,981,525	9,934,029
Rest of the world	1,679,869	1,729,732
	<u>30,741,532</u>	<u>29,640,128</u>

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Exchange differences	123,261	(137,273)
Other operating lease rentals	369,267	357,853
Defined contribution pension cost	326,575	306,755
Management charge	<u>4,798,717</u>	<u>4,465,372</u>

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	26,550	25,733
Fees payable to the company's auditor and its associates in respect of:		
Tax services	7,000	8,070

7. Directors and employees

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	6,947,154	6,638,256
Social security costs	740,525	700,210
Cost of defined contribution scheme	326,575	306,755
	<u>8,014,254</u>	<u>7,645,221</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Administration	<u>167</u>	<u>173</u>

The directors of the company were paid by Russell Administration Limited, a fellow subsidiary, and the value of their services was in the management charge by that company to Citywire Financial Publishers Limited.

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. Interest receivable

	2017 £	2016 £
Other interest receivable	3,410	71
	<u>3,410</u>	<u>71</u>

9. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	1,220,850	1,028,687
Adjustments in respect of previous periods	(275,845)	(177,893)
Taxation on profit on ordinary activities	<u>945,005</u>	<u>850,794</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2016: *the same as*) the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%) as set out below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>6,083,997</u>	<u>4,445,920</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	1,170,961	885,564
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	49,889	143,133
Adjustments to tax charge in respect of prior periods	(275,845)	(177,893)
Other adjustments leading to an increase (decrease) in the tax charge	-	(10)
Total tax charge for the year	<u>945,005</u>	<u>850,794</u>

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Dividends

	2017 £	2016 £
Dividends	<u>5,000,000</u>	<u>3,000,000</u>

11. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2017	45,127
Additions	10,986
At 31 December 2017	<u>56,113</u>
Net book value	
At 31 December 2017	<u>56,113</u>
At 31 December 2016	<u>45,127</u>

Additions in the year relates to an increase in the issued share capital of Citywire GmbH.

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Fixed asset investments (continued)

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Citywire GmbH	Ordinary shares	100 %	Financial publishers
Citywire PTE Ltd	Ordinary shares	100 %	Financial publishers
Citywire Hong Kong	Ordinary shares	100 %	Financial publishers
Citywire US LLC	Ordinary shares	100 %	Financial publishers
Citywire Srl	Ordinary shares	100 %	Financial publishers

Name	Country of Incorporation
Citywire GmbH	Germany
Citywire Pte Ltd	Singapore
Citywire Hong Kong	Hong Kong
Citywire US LLC	United States of America
Citywire Srl	Italy

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Citywire GmbH	145,714	29,636
Citywire PTE Ltd	80,953	57,608
Citywire Hong Kong	181,845	6,878
Citywire US LLC	(791,789)	164,324
Citywire Srl	(141,255)	(148,169)

CITYWIRE FINANCIAL PUBLISHERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Debtors

	2017 £	2016 £
Trade debtors	3,729,155	4,990,511
Amounts owed by group undertakings	25,554,638	24,357,100
Other debtors	952,425	941,939
Prepayments and accrued income	2,491,750	2,923,343
	<u>32,727,968</u>	<u>33,212,893</u>

13. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>2,508,707</u>	<u>1,484,207</u>

14. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	480,506	1,182,045
Amounts owed to group undertakings	24,289,888	22,429,931
Corporation tax	653,191	584,093
Other taxation and social security	431,034	339,247
Other creditors	-	38,597
Accruals and deferred income	2,834,605	3,703,742
	<u>28,689,224</u>	<u>28,277,655</u>

15. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Share capital treated as debt	<u>2,005,487</u>	<u>2,005,487</u>

Disclosure of the terms and conditions attached to the non-equity shares is made up in note 16.

CITYWIRE FINANCIAL PUBLISHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

16. Share capital

	2017 £	2016 £
Shares classified as equity		
Authorised		
3,700,000 Ordinary shares of £0.01 each	<u>37,000</u>	<u>37,000</u>
Allotted, called up and fully paid		
3,022,376 Ordinary shares of £0.01 each	<u>30,224</u>	<u>30,224</u>
	2017 £	2016 £
Shares classified as debt		
Authorised		
4,000,000 Preference shares of £1 each	<u>4,000,000</u>	<u>4,000,000</u>
Allotted, called up and fully paid		
2,005,487 Preference shares of £1 each	<u>2,005,487</u>	<u>2,005,487</u>

CITYWIRE FINANCIAL PUBLISHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

Preference shareholder rights:

The issued preference share capital is the total amount of non-equity interest in shareholders' funds. The holders of preference shares shall be entitled to be paid a dividend out of profits available for distribution and from time to time resolved by the directors, equal to an annual rate, being the arithmetic mean of the respective London Inter Bank Offering Rates quoted for one year sterling deposits on the 31 March of each year plus 100 basis points on the nominal amount of 100 percent on each of the preference shares (the 'preferential dividend').

The preference shares are redeemable at any time after expiry of 4 years from the date of first issue and allotment. The redemption amount on each preference share is the total of :

- (i) the nominal amount of the preference share; and
- (ii) a premium per preference share equal to the amount of the preferential dividend whether declared, or not compounded for each accounting period or part thereof that a preferential dividend on the preference shares has not been paid.

On winding up of the company the preference shareholders are entitled to the above, in priority to a repayment to the holders of any other class of shares.

Preference shares confer the right to receive notice of, but not to attend or vote at a general meeting of the company unless:

- (i) at the date of the notice conveying the meeting the preference dividend payable on any fixed dividend rate has not been declared or remain unpaid for a period of three years after any relevant fixed dividend rate; or
- (ii) the business of the general meeting includes consideration of a resolution to wind up the company or any other resolution which directly adversely varies any of the rights attached to the preference shares.

At the general meeting at which the holders of preference shares are entitled to attend and vote, the preference shares shall, in voting on a show of hands, entitle each holder to one vote. On a poll, each holder is entitled to one vote per preference share held.

17. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

18. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £326,575 (2016: £306,755).

CITYWIRE FINANCIAL PUBLISHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

19. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	113,832	221,778
Later than 1 year and not later than 5 years	138,424	252,256

The Company recognised £113,832 in rent expense in relation to operating leases during the year.

20. Related party transactions

As a wholly owned subsidiary of Citywire Holdings Limited the company is exempt from the requirements of FRS 102 to disclose transactions with other members of the group headed by Citywire Holdings Limited.

21. Controlling party

The ultimate parent and controlling company is Citywire Holdings Limited, a company incorporated in the United Kingdom.

Copies of the parent company's financial statements are available to the public from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.