Financial Statements
1D Media Limited

For the year ended 31 December 2015

Registered number: 07471150

Company Information

Directors	Niall Horan (resigned 4 April 2016) Zayn Malik (resigned 4 April 2016) Liam Payne (resigned 4 April 2016) Harry Styles (resigned 4 April 2016) Louis Tomlinson (resigned 4 April 2016) Alan McEvoy (appointed 4 April 2016) Lawrence Engel (appointed 4 April 2016)
Registered number	07471150
Registered office	4 Gees Court St Christophers Place London W1U 1JD
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

1D Media Limited

Contents

Group strategic report
For the year ended 31 December 2015

Business review
The company recorded a profit after taxation of £30,658,902 (2014: £34,981,646) for the financial year. The directors declared a dividend of £nil during the year (2014: £nil).

Turnover has decreased from £73.7m (in 2014) to £63.4m for the current year. Turnover and profit in the period includes activity from ODOT LLP as relevant. ODOT LLP contracted certain touring & related sponsorship activities in regions outside of the UK/Ireland & North America.

Future Developments
The company members have undertaken a hiatus from December 2015, and future company activity will reflect this. It is envisaged that the main 2016 activities would revolve around existing active contractual arrangements which include royalties & residual income from recording, merchandising & various endorsements.

Principal risks and uncertainties
Foreign Exchange Risk
Certain income categories are contracted in currencies other than GBP. It is policy to convert most sums to GBP as soon as possible upon receipt, however strategic hedging policies are also implemented so as to avoid any future volatility in the foreign exchange market.

Credit Risk
The company has policies implemented that require appropriate credit checks on potential customers before services are rendered.

Financial key performance indicators
The Directors do not believe that there are any KPIs that would aid the understanding of the development, performance or position of the company's business to the reader.

This report was approved by the board on 16th MARCH 2017 and signed on its behalf.

Alan McEvoy
Director

Directors' report

For the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Group 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £30,658,901 (2014 - £34,981,646).

Directors

The directors who served during the year were:

Niall Horan (resigned 4 April 2016)
Zayn Malik (resigned 4 April 2016)
Liam Payne (resigned 4 April 2016)
Harry Styles (resigned 4 April 2016)
Louis Tomlinson (resigned 4 April 2016)

Niall Horan, Zayn Malik, Liam Payne, Harry Styles and Louis Tomlinson have 1 share each in 1D Media Limited.

Directors' report

For the year ended 31 December 2015

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

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 16th March 2017 and signed on its behalf.

Alan McEvoy
Director

GrantThornton

Independent auditor's report to the members of 1D Media Limited

We have audited the financial statements of 1D Media Limited for the year ended 31 December 2015, which comprise the consolidated Income statement, the consolidated and company Statement of financial positions, the consolidated Statement of cash flows and reconciliation of net cash flow to movement in net funds/debt and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

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

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2015 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Grant Thornton

Independent auditor's report to the members of 1D Media Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Grant Thornton UK LLP

Steven Leith (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
London
Date: 21 March 2017

Consolidated statement of comprehensive income

For the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover		**63,371,318**	73,735,400
Gross profit		**63,371,318**	73,735,400
Administrative expenses		**(24,311,595)**	(28,427,238)
Operating profit		**39,059,723**	45,308,162
Interest receivable and similar income	7	**805,669**	141,341
Profit before taxation		**39,865,392**	45,449,503
Tax on profit	8	**(9,206,491)**	(10,467,857)
Profit for the year		**30,658,901**	34,981,646
Total comprehensive income for the year		**30,658,901**	34,981,646
Owners of the parent company		**30,658,901**	34,981,646
Profit for the financial year		**30,658,901**	34,981,646

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the consolidated income statement.

The notes on pages 12 to 21 form part of these financial statements.

Consolidated statement of financial position

As at 31 December 2015

	Note		2015 £		2014 £
Current assets					
Debtors: amounts falling due within one year	10	**32,444,683**		14,977,582	
Cash at bank and in hand	11	**41,535,847**		42,164,172	
		73,980,530		57,141,754	
Creditors: amounts falling due within one year	12	**(3,800,648)**		(17,620,773)	
Net current assets			**70,179,882**		39,520,981
Total assets less current liabilities			**70,179,882**		39,520,981
Net assets			**70,179,882**		39,520,981
Capital and reserves					
Called up share capital	15		**5**		5
Profit and loss account	16		**70,179,877**		39,520,976
Equity attributable to owners of the parent company			**70,179,882**		39,520,981
Shareholders' funds			**70,179,882**		39,520,981

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
16ᵗʰ MARCH 2017

Alan McEvoy
Director

The notes on pages 12 to 21 form part of these financial statements.

1D Media Limited
Registered number:07471150

Company statement of financial position
As at 31 December 2015

	Note		2015 £		2014 £
Current assets					
Debtors: amounts falling due within one year	10	**32,444,683**		14,411,894	
Cash at bank and in hand	11	**41,533,059**		35,155,025	
		73,977,742		49,566,919	
Creditors: amounts falling due within one year	12	**(3,799,616)**		(17,804,256)	
Net current assets			**70,178,126**		31,762,663
Total assets less current liabilities			**70,178,126**		31,762,663
Net assets excluding pension asset			**70,178,126**		31,762,663
Net assets			**70,178,126**		31,762,663
Capital and reserves					
Called up share capital	15		**5**		5
Profit and loss account	16		**70,178,121**		31,762,658
Shareholders' funds			**70,178,126**		31,762,663

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
16th MARCH 2017

Alan McEvoy
Director

Consolidated statement of changes in equity
As at 31 December 2015

	Share capital	Retained earnings	Equity attributable to owners of parent company	Total equity
	£	£	£	£
At 1 January 2015	5	39,520,976	39,520,981	39,520,981
Comprehensive income for the year				
Profit for the year	-	30,658,901	30,658,901	30,658,901
Total comprehensive income for the year	-	30,658,901	30,658,901	30,658,901
Total transactions with owners	-	-	-	-
At 31 December 2015	5	70,179,877	70,179,882	70,179,882

Consolidated statement of changes in equity
As at 31 December 2014

	Share capital	Retained earnings	Equity attributable to owners of parent company	Total equity
	£	£	£	£
At 1 January 2014	5	4,539,330	4,539,335	4,539,335
Comprehensive income for the year				
Profit for the year	-	34,981,646	34,981,646	34,981,646
Total comprehensive income for the year	-	34,981,646	34,981,646	34,981,646
Total transactions with owners	-	-	-	-
At 31 December 2014	5	39,520,976	39,520,981	39,520,981

The notes on pages 12 to 21 form part of these financial statements.

Company statement of changes in equity
As at 31 December 2015

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2015	5	31,762,658	31,762,663
Comprehensive income for the year			
Profit for the year	-	38,415,463	38,415,463
Total comprehensive income for the year	-	38,415,463	38,415,463
Total transactions with owners	-	-	-
At 31 December 2015	5	70,178,121	70,178,126

Company statement of changes in equity
As at 31 December 2014

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2014	5	4,539,330	4,539,335
Comprehensive income for the year			
Profit for the year	-	27,223,328	27,223,328
Total comprehensive income for the year	-	27,223,328	27,223,328
Total transactions with owners	-	-	-
At 31 December 2014	5	31,762,658	31,762,663

The notes on pages 12 to 21 form part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2015

	2015	2014
	£	£
Cash flows from operating activities		
Profit for the financial year	**30,658,901**	34,981,646
Adjustments for:		
Interest received	**(805,669)**	(141,341)
Taxation	**8,142,975**	10,467,857
Increase in debtors	**(20,031,928)**	(4,498,051)
Increase in creditors	**(11,236,909)**	(9,057,453)
Increase in amounts owed to groups	**1,026**	-
Corporation tax	**(8,278,793)**	(2,907,037)
Net cash generated from operating activities	**(1,550,397)**	28,845,621
Cash flows from investing activities		
Interest received	**805,669**	141,341
Net cash from investing activities	**805,669**	141,341
Net increase / (decrease) in cash and cash equivalents	**(744,728)**	28,986,962
Cash and cash equivalents at beginning of year	**42,164,172**	17,591,706
Cash and cash equivalents at the end of year	**41,419,444**	46,578,668
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**41,535,847**	42,164,172
Net funds	**41,535,847**	42,164,172

The notes on pages 12 to 21 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2015

1. General information

1D Media Limited is a company registered in England and Wales (registered number 07471150) incorporated in the United Kingdom under Companies Act 2006. Its registered office is 4 Gees Court, St Christophers Place, London W1U 1JD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 20.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the company's accounting policies (see note 2).

The company has taken the exemption from presenting its unconsolidated profit and loss account under section 408 of Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

Having regard to forecasted activity as well as cash held at year end, the directors believe that the business has adequate resources to meet the current liabilities of the business as they fall due for the foreseeable future and have therefore adopted the going concern basis in preparing the financial statements. Income will continue to flow residually for the foreseeable future which will exceed all known company costs.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra group transactions, balances, income and expenses are eliminated in full on consolidation.

Notes to the financial statements
For the year ended 31 December 2015

2. Accounting policies (continued)

2.4 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied during the period, exclusive of Value Added Tax. Revenue is recognised to the extent that the company has earned the right to the consideration, it is probable the economic benefits will flow to the company and that it can be reliably measured.

Concert and performance income, including merchandising, recording and sponsorship income is measured by reference to the contract rate in respect of the minimum guarantee and royalties. Minimum guarantee elements are recognised when the event, performance or service criteria has been delivered as this is the point at which the consideration is earned. Any subsequent royalty income is recognised when the company can reliably measure it.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comperehensive income.

Notes to the financial statements
For the year ended 31 December 2015

2. Accounting policies (continued)

2.6 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

i) at fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;

ii) at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments such as interest rate swaps, forward foreign currency contracts, caps and collars are recognised at fair value by reference to prices available from the markets on which the instruments involved are traded, with any gains or losses reported in profit or loss.

Notes to the financial statements
For the year ended 31 December 2015

2. Accounting policies (continued)

2.7 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.

2.8 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.9 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.

2.10 Interest income

Interest income is recognised in the Income statement using the effective interest method.

2.11 Taxation

Tax is recognised in the Income statement, except that a change 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 and the Group operate and generate income.

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

There are no material judgments or estimates in preparation of these financial statements.

Notes to the financial statements
For the year ended 31 December 2015

4. Turnover

The whole of the turnover is attributable to concert performing, merchandising, sponsorship and recording.

The directors have ommitted the split of revenue by geographical market during the financial period.

5. Operating profit

The operating profit is stated after charging/(crediting):

	2015 £	2014 £
Auditor's remuneration	**25,000**	28,500
Auditor's remuneration - non audit	**121,000**	126,300
Difference on foreign exchange	**(315,250)**	166,757

6. Directors' remuneration

	2015 £	2014 £
Remuneration	**561,872**	548,612

The highest paid director received remuneration of £112,374 (2014 - £109,722).

7. Interest receivable

	2015 £	2014 £
Interest receivable from directors	**620,039**	-
Other interest receivable	**185,630**	141,341

8. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	**9,206,491**	8,239,396
Foreign tax		
Foreign withholding tax	**-**	2,228,461
Taxation on profit on ordinary activities	**9,206,491**	10,467,857

Notes to the financial statements
For the year ended 31 December 2015

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 21.49% (2014 - 21.49. The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	**39,865,392**	45,449,503
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2014 - 21.49%)	**8,567,073**	9,768,530
Effects of:		
Expenses not deductible for tax purposes	**-**	19,654
Unrelieved foreign tax	**639,418**	679,673
Total tax charge for the year	**9,206,491**	10,467,857

9. Parent company profit for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent company for the year was £38,415,464 (2014 - £27,223,328).

10. Debtors

	2015 £	2014 £	2015 £	2014 £
Trade debtors	**3,472,871**	3,444,693	**3,472,871**	3,444,693
Amounts owed by group undertakings	**-**	-	**-**	4,322
VAT receivable	**158,823**	30,048	**158,823**	-
Other debtors	**28,224,570**	3,214,114	**28,224,570**	1,564,926
Prepayments and accrued income	**588,419**	8,288,727	**588,419**	9,397,953
	32,444,683	14,977,582	**32,444,683**	14,411,894

Notes to the financial statements

For the year ended 31 December 2015

11. Cash and cash equivalents

	2015	2014	2015	2014
	£	£	£	£
Cash at bank and in hand	**41,535,847**	42,164,172	**41,533,059**	35,155,025

12. Creditors: Amounts falling due within one year

	2015	2014	2015	2014
	£	£	£	£
Trade creditors	**65,533**	313,951	**65,533**	758,004
Amounts owed to group undertakings	**1,026**	-	-	-
Corporation tax	**1,595,289**	4,198,695	**1,595,289**	4,198,693
Taxation and social security	-	487,546	-	487,546
Other creditors	**19,164**	7,003,659	**19,160**	7,003,658
Accruals and deferred income	**2,119,636**	5,616,922	**2,119,634**	5,356,355
	3,800,648	17,620,773	**3,799,616**	17,804,256

The Fair Value of the forward contracts described below in note 12 is being held in other creditors.

13. Financial assets and liabilities

	Group 2015 £	Group 2014 £
Foreign currency forward	-	(1,647,535)

The fair value of these contracts is defined as the amount at which the financial instrument could be exchanged in an arm's length transaction between informed and willing parties. The foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract and considered a Level 2 instrument.

Risk management
The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern whilst maximising the return to stakeholders through the effective management of capital.

Foreign Exchange Risk
Certain income categories are contracted in currencies other than GBP. It is policy to convert most sums to GBP as soon as possible upon receipt, however strategic hedging policies have also been implemented so as to avoid any future volatility in the foreign exchange market relating to U.S. Dollar.

The sensitivity analysis below has been based on the exposure to exchange rates for non derivative instruments at the reporting date. A 10% increase or decrease is used when reporting exchange rate risk internally to key management personnel and represents management's assessment of the reasonable possible change in exchange rates when considered against the background of exchange rates when considered against the background of exchange rate movement for the US dollar in 2014/2015

There would be an insignificant movement with a 10% movement in the Australian dollar, but a 10% movement of the US dollar against Sterling and with all other variables constant, the Group's profit for the year would move by $2m.

Credit Risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has policies implemented that require appropriate credit checks on potential customers before services are rendered.

Capital risk management
The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders. The Group seeks to minimise the cost of capital and attempts to optimise the capital structure. Management believe that there is sufficient cash necessary for the ongoing liquidity of the Group.

Notes to the financial statements
For the year ended 31 December 2015

14. Financial instruments

	2015 £	2014 £	2015 £	2014 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	**32,422,103**	14,531,774	**32,422,103**	13,966,086
Financial liabilities				
Financial liabilities measured at amortised cost	**(1,401,265)**	(9,071,807)	**(1,400,237)**	(9,255,292)

15. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
5 Ordinary Shares shares of £1 each	5	5

16. Reserves

Profit & loss account

Includes all current and prior period retained profit and losses.

17. Contingent liabilities

A contingent liability exists in relation to a matter in dispute which may be the subject of a litigation against the company. If the challenge is successful the maximum obligation is estimated to be approximately £24.7m including interest. However, the company has an indemnity against third parties in relation to such an event and the amount that could be reimbursed to the company is estimated to be approximately £18.4m.

18. Related party transactions

During the period, the company received income of £504,711 (2014: £967,914) from Rollcall Touring Inc. At the year end, £823,856 (2014: £967,914) was owed from Rollcall Touring Inc. 1D Media Limited and Rollcall Touring Inc are related through common ownership.

Withdrawals relating to the directors' loan accounts in the year amounted to £45,056,145 (2014: £18,700,478) and repayments were £11,538,731 (2014: £24,433,307). Amounts owed from directors at the year end were £28,161,291 (2014: (£5,356,122)).

The company has taken advantage of the FRS 8 exemption relating to intra group transactions.

Notes to the financial statements
For the year ended 31 December 2015

19. Controlling party

The directors consider the shareholders of the company to be the ultimate controlling parties.

20. Subsidiary undertakings

ODOT LLP has been consolidated into the accounts as a subsidiary as 1D Media Limited is considered to have control over it, on the basis it holds dominant influence due to to having rights to all revenue and profit and direct common control.

21. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

Consolidated detailed profit and loss account

For the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover		**63,371,318**	73,735,400
Gross profit		**63,371,318**	73,735,400
Gross profit %		**100.0 %**	100.0 %
		63,371,318	73,735,400
Less: overheads			
Administration expenses		**(24,311,595)**	(28,427,238)
Operating profit	5	**39,059,723**	45,308,162
Interest receivable		**805,669**	141,341
Tax on profit on ordinary activities		**(9,206,491)**	(10,467,857)
Profit for the year		**30,658,901**	34,981,646

Schedule to the detailed accounts

For the year ended 31 December 2015

Turnover

	2015	2014
	£	£
Sales	**39,076,945**	46,007,185
Sales - Other EU	**5,463,269**	13,111,689
Sales - Rest of world	**17,021,669**	10,185,507
Royalties receivable - Domestic	**1,304,625**	1,222,783
Royalties receivable - Rest of world	-	2,170,648
Other income - Interco	**504,711**	967,914
Other income	**99**	69,674
	63,371,318	73,735,400

Administration expenses

	2015	2014
	£	£
Employer NICS	-	70,219
Directors salaries	**561,872**	548,611
Commissions	**11,171,318**	16,880,732
Travelling and subsistence	**801,163**	703,519
Office admin	**150,034**	101,272
Legal and professional	**814,001**	1,403,878
Bank charges	**9,967**	11,021
Exchange differences	**(315,250)**	166,757
Sundry expenses	**9,387**	9,693
Insurances	**97,065**	479,087
Tour costs	**10,707,092**	7,498,624
Crew Costs	**258,625**	470,679
Styling	**46,321**	83,146
	24,311,595	28,427,238

Interest receivable

	2015	2014
	£	£
Bank interest receivable	**185,630**	141,341
Group interest receivable - interco	**620,039**	-
	805,669	141,341