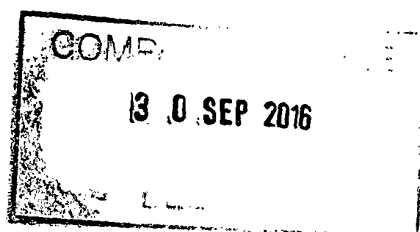


# WIRELESS GROUP NEW MEDIA LIMITED

## Report and Financial Statements

31 December 2015



**CORPORATE INFORMATION**

**DIRECTORS**

N McKeown

**SECRETARY**

M Jess

**AUDITORS**

Ernst & Young LLP  
Bedford House  
16 Bedford Street  
Belfast  
BT2 7DT

**BANKERS**

Bank of Ireland  
28 University Road  
Belfast  
BT7 1NH

**SOLICITORS**

A&L Goodbody  
6<sup>th</sup> Floor  
42-46 Fountain Street  
Belfast  
BT1 5EF

**REGISTERED OFFICE**

Havelock House  
Ormeau Road  
Belfast  
BT7 1EB

## **DIRECTORS' REPORT**

Registered No. NI053107

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

### **DIRECTORS OF THE COMPANY**

The directors who served the company during the year were as follows:

J McCann (resigned 12 May 2016)

N McKeown

### **RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to £96,769 (2014: £4,317,107). No dividends were paid during the year (2014: £nil).

### **PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS**

The principal activity of the company during the year continued to be that of holding company. The investments held by the company are listed in note 7 to the accounts. The directors aim to maintain management policies and continue to monitor its investments.

### **EVENTS SINCE THE BALANCE SHEET DATE**

On 3 March 2016 the company changed its name from UTV New Media Limited to Wireless Group New Media Limited.

### **DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions remains in force as at the date of approving the directors' report.

### **GOING CONCERN**

The financial statements have been prepared on the going concern basis which assumes that the Company will be able to continue in operational existence for the foreseeable future and to meet its liabilities as they fall due. In preparing the financial statements, the directors have taken into account both the Company's future trading and cash flows and support from its parent undertaking and believe that it is appropriate to prepare the financial statements on the going concern basis.

For the year end 31 December 2015 the company incurred losses of £96,769 (2014: £4,317,107) and at 31 December 2015 the company had net current liabilities of £4,990,374 (2014: £4,893,605). Consequently, the company is dependent on continuing finance being made available by its parent undertaking to enable it to continue operating and to meet its liabilities as they fall due. The directors of the parent undertaking Wireless Group Plc have indicated that it is their present intention to continue to provide financial support to the company and to provide sufficient funds to the company for these purposes. On the basis of their assessment of the company's financial position and of the enquiries made of the directors of the company's parent undertaking, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **DIRECTORS STATEMENT AT TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

**DIRECTORS' REPORT (CONTINUED)**

Registered No. NI053107

**AUDITORS**

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

**SMALL COMPANY EXEMPTIONS**

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

**STRATEGIC REPORT**

The directors have not prepared a strategic report as the company is entitled to the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

By order of the board,



N McKeown

Director

29 September 2016

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIRELESS GROUP NEW MEDIA LIMITED**

We have audited the financial statements of Wireless Group New Media Limited for the year ended 31 December 2015 which comprise the Income Statement, and the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14. 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 101 'Reduced Disclosure Framework'.

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 set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIRELESS GROUP NEW MEDIA LIMITED (CONTINUED)

### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the Directors' Report.



**Michael Kidd** (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Accounts

Belfast

Date: 30 September 2016

## INCOME STATEMENT

for the year ended 31 December 2015

		2015	2014
	Notes	£	£
Exceptional costs	3	-	(4,197,649)
<b>OPERATING LOSS</b>		-	(4,197,649)
Interest receivable		-	1,533
Interest payable to group undertakings		(96,769)	(120,991)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(96,769)	(4,317,107)
Taxation	6	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(96,769)</u>	<u>(4,317,107)</u>

All amounts relate to continuing operations.

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £96,769 in the year ended 31 December 2015 (2014: £4,317,107).



**BALANCE SHEET**

**as at 31 December 2015**

Registered No. NI053107

		2015	2014
	Notes	£	£
<b>FIXED ASSETS</b>			
Investments	7	<u>4,693,139</u>	<u>4,693,139</u>
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(4,990,374)</u>	<u>(4,893,605)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(4,990,374)</u>	<u>(4,893,605)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(297,235)</u>	<u>(200,466)</u>
<b>NET LIABILITIES</b>		<u>(297,235)</u>	<u>(200,466)</u>
 <b>CAPITAL AND RESERVES</b>			
Share capital	9	11,513	11,513
Retained earnings		<u>(308,748)</u>	<u>(211,979)</u>
		<u>(297,235)</u>	<u>(200,466)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2016. They were signed on its behalf by:



N McKeown

Director

29 September 2016

**STATEMENT OF CHANGES IN EQUITY**

**for the year ended 31 December 2015**

	<i>Share Capital</i> £	<i>Retained Earnings</i> £	<i>Total Equity</i> £
At 1 January 2014	11,513	4,105,128	4,116,641
Loss for the financial year	-	(4,317,107)	(4,317,107)
At 31 December 2014	11,513	(211,979)	(200,466)
Loss for the financial year	-	(96,769)	(96,769)
<b>At 31 December 2015</b>	<b>11,513</b>	<b>(308,748)</b>	<b>(297,235)</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

for the year ended 31 December 2015

### 1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of Wireless Group New Media Limited (the "Company") for the year ended 31 December 2015 were authorised for issue by the board of directors on 29 September 2016 and the balance sheet was signed on the board's behalf by N McKeown. Wireless Group New Media Limited is incorporated and domiciled in Northern Ireland.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The Company financial statements are presented in sterling and all values are rounded to the nearest pound (£) except when otherwise indicated.

The Company has taken advantage of the exemption under s.400 of the Companies Act 2006 not to prepare group accounts as it was a wholly owned subsidiary of Wireless Group Plc at 31 December 2015.

The results of Wireless Group Plc are included in the financial statements of Wireless Group Plc available from Ormeau Road, Belfast, BT7 1EB.

The principal accounting policies adopted by the Company are set out in note 2.

### 2. ACCOUNTING POLICIES

The Company transitioned from previously extant UK GAAP to FRS101 for all periods presented. Transition reconciliations showing all material adjustments are disclosed in note 14.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2015.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of paragraphs 62 and B67 of IFRS 3 Business Combinations
- b) the requirements of IFRS 7 Financial Instruments: Disclosures;
- c) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of;
  - i) paragraph 79 (a) (iv) of IAS1;
- d) the requirements of paragraphs 10(d), 38A, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements.
- e) the requirements of IAS 7 Statement of Cash Flows;
- f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- g) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

#### *Judgements and key sources of uncertainty*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for the revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The Board do not consider there to be any key sources of judgement or estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

#### *Fixed Asset Investments*

Fixed asset investments are stated at cost less provisions for permanent impairment in value. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**NOTES TO THE ACCOUNTS (CONTINUED)****for the year ended 31 December 2015****2. ACCOUNTING POLICIES (CONTINUED)*****Current taxation***

The tax charge represents the sum of tax currently payable and is charged or credited in the income statement. Tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes both items of income or expense that are taxable or deductible in other years as well as items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

***Deferred taxation***

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

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

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

**3. EXCEPTIONAL COSTS**

	2015	2014
	£	£
Restructuring costs	-	(4,938)
Profit on disposal of Joint Venture	-	283,302
Write down of investments	-	(4,476,013)
	<u>-</u>	<u>(4,197,649)</u>

During 2014 Wireless Connect and the portals, Wireless Drive, Recruit NI and PropertyPal, were identified as being non-core to the future strategy of the Wireless Group Plc. PropertyPal was disposed of by way of a share sale, whilst the others were disposed of by way of a sale of trade and business assets.

**4. AUDITOR'S REMUNERATION**

Auditor's remuneration has been paid by a fellow group undertaking in the current and prior period.

**5. DIRECTORS' REMUNERATION**

The directors of the company are also directors of the ultimate parent company and fellow subsidiaries. The directors received total remuneration for the year of £903,335 (2014: £1,070,560), all of which was paid by the ultimate or immediate parent companies. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the ultimate parent company and fellow subsidiary companies.

**NOTES TO THE ACCOUNTS (CONTINUED)****for the year ended 31 December 2015****6. TAXATION***(a) Tax charged in the income statement:*

	2015	2014
	£	£
Tax (expense)/credit in the income statement	<u>-</u>	<u>-</u>

*(b) Reconciliation of the total tax charge:*

The tax (expense)/credit on the loss on ordinary activity for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%). The differences are reconciled by:

	2015	2014
	£	£
Loss on ordinary activities before tax	<u>(96,769)</u>	<u>(4,317,107)</u>
Tax calculated at UK standard rate of corporation tax of 20.25% (2014: 21.50%)	(19,595)	(928,178)
Disallowed expenses and non-taxable income	-	962,343
Temporary differences	-	(32,250)
Group relief surrendered for nil payment	<u>19,595</u>	<u>(1,915)</u>
Total tax (expense)/credit reported in the income statement	<u>-</u>	<u>-</u>

*(c) Factors that may affect future tax charges:*

A reduction to the UK corporation tax rate was substantively enacted on 26 October 2015 which will reduce the corporation tax rate to 19% from 1 April 2017. A further reduction in the tax rate to 17% from 1 April 2020 has been announced but has not yet been substantively enacted. There are no potential income tax consequences resulting from the payment of dividends.

**7. INVESTMENTS**

*Subsidiary  
undertakings  
£*

**COST**

At 1 January 2015 and 31 December 2015	<u>9,169,152</u>
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**IMPAIRMENT**

At 1 January 2015 and 31 December 2015	<u>4,476,013</u>
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**NET BOOK VALUE**

At 31 December 2014 and 31 December 2015	<u>4,693,139</u>
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As outlined further note 14 the cost of the investments on the date of transition to FRS101 (1 January 2014) have been restated to include contingent consideration of £2,848,068.

**NOTES TO THE ACCOUNTS (CONTINUED)****for the year ended 31 December 2015****7. INVESTMENTS (CONTINUED)**

Details of the investments in which the company holds 20% or more of the nominal value of ordinary share capital are as follows:

Name	Registered office	Nature of business	Class of shares held	Proportion of nominal value held
The Internet Business Limited	Havelock House, Ormeau Road, Belfast, BT7 1EB	Web hosting	Ordinary shares	100%
Simply Zesty Limited	2nd Floor, Macken House, 39-40 Mayor Street Upper, Dublin 1, D01 C9W8	Web design	Ordinary shares, 'A', 'B', 'C', 'D', 'E', 'F' ordinary shares	100%
Simply Zesty UK Limited	Ground Floor, 401 Faraday Street, Birchwood Park, Warrington, England WA3 6GA	Web design	Ordinary shares	*100%
Wireless Connect Limited	Havelock House, Ormeau Road, Belfast, BT7 1EB	Non trading	Ordinary shares	100%
Recruitment Northern Ireland Limited	Havelock House, Ormeau Road, Belfast, BT7 1EB	Non trading	Ordinary shares	100%
Wireless Drive Limited	Havelock House, Ormeau Road, Belfast, BT7 1EB	Non trading	Ordinary shares, 'A', 'B' ordinary shares	100%

\* Held by a subsidiary undertaking

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Amounts owed to group undertakings	<u>4,990,374</u>	<u>4,893,606</u>

**9. AUTHORISED, ISSUED AND CALLED UPSHARE CAPITAL**

	2015	2014	2015	2014
	No.	No.	£	£
<i>Authorised</i>				
Ordinary shares of £1 each	<u>11,513</u>	<u>11,513</u>	<u>11,513</u>	<u>11,513</u>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>11,513</u>	<u>11,513</u>	<u>11,513</u>	<u>11,513</u>

**10. RESERVES***Equity share capital*

The balance classified as equity share capital includes the total net proceeds (both nominal value and share premium) on issue of the Company's equity share capital, comprising £1 ordinary shares.

**11. POST BALANCE SHEET EVENTS**

On 3 March 2016 the company changed its name from UTV New Media Limited to Wireless Group New Media Limited.

On 30 June 2016, Wireless Group Plc announced a recommended cash offer by News Corp UK & Ireland Limited for the entire issued and to be issued share capital of Wireless Group Plc. On 26 September 2016, the offer by News Corp UK & Ireland Limited to acquire the entire issued and to be issued share capital of Wireless Group Plc became wholly unconditional.

**NOTES TO THE ACCOUNTS (CONTINUED)****for the year ended 31 December 2015****12. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

**13. ULTIMATE GROUP UNDERTAKING**

The Company's immediate and ultimate parent undertaking at 31 December 2015 was Wireless Group Plc. The Company is included within these group accounts which are publically available.

**14. TRANSITION TO FRS 101**

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 January 2014, the Company's date of transition to FRS101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the Company in restating its balance sheet as at 1 January 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 December 2013.

On transition to FRS 101, the Company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards".

*Reconciliation of equity as at 1 January 2014*

	Notes	UK GAAP £	FRS 101 Re- classifications/ Re-measurement £	FRS 101 £
<b>FIXED ASSETS</b>				
Investments	i	6,321,134	2,848,068	9,169,202
<b>CREDITORS: amounts falling due within one year</b>		(5,052,561)	-	(5,052,561)
<b>NET CURRENT LIABILITIES</b>		(5,052,561)	-	(5,052,561)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,268,573	2,848,068	4,116,641
<b>NET ASSETS</b>		1,268,573	2,848,068	4,116,641
<b>CAPITAL AND RESERVES</b>				
Share capital		11,513	-	11,513
Retained earnings	i	1,257,060	2,848,068	4,105,128
		1,268,573	2,848,068	4,116,641

**NOTES TO THE ACCOUNTS (CONTINUED)****for the year ended 31 December 2015****14. TRANSITION TO FRS 101 (CONTINUED)***Reconciliation of equity as at 31 December 2014*

		<i>UK GAAP</i>	<i>FRS 101 Re- classifications/ Re-measurement</i>	<i>FRS 101</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>FIXED ASSETS</b>				
Investments	i	1,845,071	2,848,068	4,693,139
<b>CREDITORS: amounts falling due within one year</b>		(4,893,605)	-	(4,893,605)
<b>NET CURRENT LIABILITIES</b>		(4,893,605)	-	(4,893,605)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(3,048,534)	2,848,068	(200,466)
<b>NET LIABILITIES</b>		(3,048,534)	2,848,068	(200,466)
<b>CAPITAL AND RESERVES</b>				
Share capital		11,513	-	11,513
Retained earnings	i	(3,060,047)	2,848,068	(211,979)
		(3,048,534)	2,848,068	(200,466)

**i. Contingent Consideration**

As required by IFRS 3 the cost of the subsidiary undertaking Simply Zesty Limited has been restated to include contingent consideration of £2,848,068, with a corresponding movement in Retained Earnings.

**ii. Reconciliation of total comprehensive income**

The effect of the remeasurement differences on the reported total comprehensive income of the Company for the year ended 31 December 2014 is nil.