

International Herald Tribune Limited

Company Registration No: 01106659

Director's report and financial statements

For the period ended 29 December 2013



INTERNATIONAL HERALD TRIBUNE LIMITED

COMPANY INFORMATION

Director	S Dunbar Johnson
Company secretary	P Falconer
Registered number	01106659
Registered office	2nd Floor 1 New Oxford Street London WC1A 1NU
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD

INTERNATIONAL HERALD TRIBUNE LIMITED

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INTERNATIONAL HERALD TRIBUNE LIMITED

DIRECTOR'S REPORT FOR THE PERIOD ENDED 29 DECEMBER 2013

The director presents his report and the financial statements for the period ended 29 December 2013.

Director's responsibilities statement

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Director

The director who served during the period was:

S Dunbar Johnson

Future developments

The company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company has complied with all applicable legislation and regulations.

Financial instruments

The director considers the company's exposure to price risk, credit risk, liquidity risk and cash flow risk to be low, and considers information relating to company's financial risk management objectives and policies to be immaterial for the assessment of assets, liabilities, financial position and profit and loss of the company.

INTERNATIONAL HERALD TRIBUNE LIMITED

DIRECTOR'S REPORT FOR THE PERIOD ENDED 29 DECEMBER 2013

Disclosure of information to auditor

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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's auditor is aware of that information.

Auditor

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

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



S Dunbar Johnson
Director

Date: 24.9.2014.

INTERNATIONAL HERALD TRIBUNE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF INTERNATIONAL HERALD TRIBUNE LIMITED

We have audited the financial statements of International Herald Tribune Limited for the period ended 29 December 2013 which comprise the Profit and Loss Account, the Balance Sheet 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).

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's member 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 member 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 member as a body for our audit work, for this report, or for the opinions we have formed.

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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 December 2013 and of its profit for the period 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 the other matter prescribed by the Companies Act 2006

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

INTERNATIONAL HERALD TRIBUNE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF INTERNATIONAL HERALD TRIBUNE 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption in preparing the Director's Report.

Elisabeth Maxwell

Elisabeth Maxwell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date:

24th September 2014

INTERNATIONAL HERALD TRIBUNE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 29 DECEMBER 2013

		52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
	Note		
Turnover	1,2	6,498,964	5,469,216
Administrative expenses		(6,158,567)	(5,257,134)
Operating profit	3	340,397	212,082
Interest receivable and similar income		726	145
Profit on ordinary activities before taxation		341,123	212,227
Tax on profit on ordinary activities	6	(123,308)	(75,866)
Profit for the financial period	11	217,815	136,361

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 7 to 14 form part of these financial statements.

INTERNATIONAL HERALD TRIBUNE LIMITED

Registered number: 01106659

BALANCE SHEET AS AT 29 DECEMBER 2013

	Note	29 December 2013		30 December 2012	
		£	£	£	£
Fixed assets					
Tangible assets	7		278,300		339,465
Current assets					
Debtors	8	1,353,677		1,223,129	
Cash at bank and in hand		314,207		642,205	
		<u>1,667,884</u>		<u>1,865,334</u>	
Creditors: amounts falling due within one year	9	<u>(1,582,558)</u>		<u>(2,058,988)</u>	
Net current assets/(liabilities)			85,326		(193,654)
Net assets			<u>363,626</u>		<u>145,811</u>
Capital and reserves					
Called up share capital	10		5,000		5,000
Profit and loss account	11		358,626		140,811
Shareholders' funds	12		<u>363,626</u>		<u>145,811</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


S Dunbar Johnson
Director

Date: 24.9.2014

The notes on pages 7 to 14 form part of these financial statements.

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered a period of twelve months from the date of the signed audit report in assessing that this is an appropriate basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short term leasehold property	-	20% straight line
Fixtures & fittings	-	20% straight line
Office equipment	-	33% straight line

1.6 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

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

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

1. Accounting Policies (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.8 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 profit and loss account.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

2. Turnover

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

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Advertising commissions	4,491,270	3,623,837
Conferences	1,976,146	1,790,700
Other income	31,548	54,679
	<hr/>	<hr/>
	6,498,964	5,469,216
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INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

An analysis of turnover by geographical market is as follows:

	2013 £	2012 £
United Kingdom	4,958,332	3,983,114
Europe	764,696	733,790
Middle East	188,135	114,237
Africa	28,665	37,518
Asia	310,486	328,306
America	248,650	272,251
Total	<u>6,498,964</u>	<u>5,469,216</u>

3. Operating profit

The operating profit is stated after charging:

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Depreciation of tangible fixed assets: - owned by the company	93,503	59,101
Operating lease rentals: - plant and machinery	8,387	9,246
- other operating leases	139,397	91,411
Difference on foreign exchange	60,706	41,821
	<u>201,993</u>	<u>201,579</u>

During the period, no director received any emoluments (2012 - £NIL).

4. Auditor's remuneration

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	22,500	22,045
Fees payable to the company's auditor in respect of: All taxation advisory services not included above	3,350	2,500
All other non-audit services not included above	700	500
	<u>26,550</u>	<u>25,045</u>

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

5. Staff costs

Staff costs were as follows:

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Wages and salaries	2,839,817	2,178,894
Social security costs	314,474	240,672
Other pension costs	159,092	145,588
	<u>3,313,383</u>	<u>2,565,154</u>

The average monthly number of employees, including the director, during the period was as follows:

	52 weeks ended 29 December 2013 No.	53 weeks ended 30 December 2012 No.
Sales and advertising	28	19
Editorial	3	6
Marketing and research	12	12
	<u>43</u>	<u>37</u>

6. Taxation

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Analysis of tax charge in the period		
UK corporation tax charge on profit for the period	121,439	75,866
Adjustments in respect of prior periods	1,869	-
	<u>123,308</u>	<u>75,866</u>
Tax on profit on ordinary activities		

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

6. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24%). The differences are explained below:

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Profit on ordinary activities before tax	341,123	212,227
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24%)	79,311	50,934
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	11,533	18,018
Difference in treatment between depreciation and capital allowances	5,191	5,373
Fixed assets differences	5,272	-
Adjustments to tax charge in respect of prior periods	1,869	-
Short term timing difference leading to an increase in taxation	20,142	-
Other differences leading to an increase (decrease) in the tax charge	(10)	1,541
Current tax charge for the period (see note above)	123,308	75,866

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

7. Tangible fixed assets

	Short term leasehold property £	Fixtures & fittings £	Office equipment £	Total £
Cost				
At 31 December 2012	402,646	141,130	42,866	586,642
Additions	24,047	-	8,291	32,338
At 29 December 2013	426,693	141,130	51,157	618,980
Depreciation				
At 31 December 2012	127,394	85,154	34,629	247,177
Charge for the period	71,798	16,645	5,060	93,503
At 29 December 2013	199,192	101,799	39,689	340,680
Net book value				
At 29 December 2013	227,501	39,331	11,468	278,300
At 30 December 2012	275,252	55,976	8,237	339,465

8. Debtors

	2013 £	2012 £
Trade debtors	570,294	730,194
Amounts owed by group undertakings	371,236	152,932
Corporation tax repayable	57,489	-
Other debtors	153,149	88,881
Prepayments and accrued income	201,509	251,122
	<u>1,353,677</u>	<u>1,223,129</u>

9. Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	54,960	145,847
Amounts owed to group undertakings	118,123	846,577
Corporation tax	-	4,294
Other taxation and social security	91,880	64,048
Other creditors	36,271	8,806
Accruals and deferred income	1,281,324	989,416
	<u>1,582,558</u>	<u>2,058,988</u>

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

10. Share capital

	2013 £	2012 £
Authorised, allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000

11. Reserves

	Profit and loss account £
At 31 December 2012	140,811
Profit for the period	217,815
At 29 December 2013	358,626

12. Reconciliation of movement in shareholders' funds

	29 December 2013 £	30 December 2012 £
Opening shareholders' funds	145,811	409,450
Profit for the financial period	217,815	136,361
Dividends (Note 13)	-	(400,000)
Closing shareholders' funds	363,626	145,811

13. Dividends

	52 weeks ended 29 December 2013 £	53 weeks ended 30 December 2012 £
Dividends paid on equity capital	-	400,000

14. Pension commitments

The company operates a defined contributions 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 £159,052 (2012 - £145,588).

INTERNATIONAL HERALD TRIBUNE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2013

15. Operating lease commitments

At 29 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2013 £	Other 2012 £
	2013 £	2012 £		
Expiry date:				
Within 1 year	-	-	1,518	-
Between 2 and 5 years	141,979	141,979	2,785	3,036
After more than 5 years	-	-	-	2,785

16. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

17. Ultimate parent undertaking and controlling party

The immediate parent company is International Herald Tribune SAS, incorporated in France, and the ultimate parent company is the The New York Times Company, incorporated in the United States.

The parent company of the smallest group to include the company in its consolidated financial statements is International Herald Tribune SAS, a company incorporated in France.

The parent company of the largest group to include the company in its consolidated financial statements is The New York Times Company and financial statements can be obtained from its website www.nytc.com.