

Company Registration No. 07320345

Independent Digital News and Media Limited

Abbreviated accounts

28 September 2014



Independent Digital News and Media Limited

Financial statements 2014

Contents	Page
Officers and professional advisers	1
Independent auditor's report	2
Balance sheet	3
Notes to the accounts	4

Independent Digital News and Media Limited

Financial statements 2014

Officers and professional advisers

Directors

E Lebedev (Chairman)
J D E Byam Shaw

Company Secretary

M Malhotra

Registered Office

2 Derry Street
London
W8 5HF

Bankers

Lloyds TSB Bank plc
25 Gresham Street
London
EC2V 7HN

Auditor

Deloitte LLP
Chartered Accountants
2 New Street Square
London
EC4A 3BZ

Independent auditor's report to Independent Digital News and Media Limited under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of Independent Digital News and Media Limited for the year ended 28 September 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

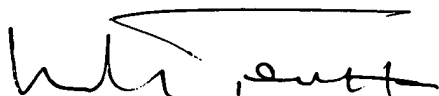
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On 17 April 2015 we reported as the auditor to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report included the following paragraph:

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Company's ability to continue as a going concern. The Company reported a net profit before tax of £587,422 during the year ended 28 September 2014 and at that date it had net assets of £443,275. Its business model currently relies on Independent Print Limited which itself requires significant future funding to continue to trade. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.



William Touche (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

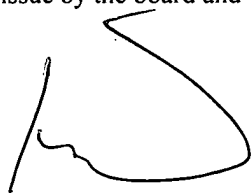
17 April 2015

Independent Digital News and Media Limited

Abbreviated balance sheet 28 September 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Intangible assets	2	-	-
Current assets			
Debtors		1,737	1,599
Cash at bank		745	290
		<u>2,482</u>	<u>1,889</u>
Creditors: amounts falling due within one year		<u>(2,039)</u>	<u>(1,935)</u>
Net current assets/(liabilities)		<u>443</u>	<u>(46)</u>
Total assets less current liabilities		<u>443</u>	<u>(46)</u>
Net assets/(liabilities)		<u>443</u>	<u>(46)</u>
Capital and reserves			
Called up share capital	3	1	1
Share premium account		-	-
Profit and loss account		442	(47)
Shareholders' funds/(deficit)		<u>443</u>	<u>(46)</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 17 April 2015.



J D E Byam Shaw
Director

The notes on pages 4 to 5 form part of these financial statements.

Independent Digital News and Media Limited

Notes to the abbreviated accounts Year ended 28 September 2014

1. Accounting policies

Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

The Company meets its day to day working capital requirements through loan finance provided by certain of the Company's shareholders as and when required. The shareholder loans at 28 September 2014 were technically due on that date and are therefore classified as a current liability. The loan principal was subsequently fully repaid on 7 November 2014 and 25 February 2015.

The Company has made an operating profit in the year and the directors believe that the Company will trade profitably in 2015 and will not require additional funding, absent contingencies or a change in plans. However, the operations of the Company are linked to the operations of Independent Print Limited which continues to make significant operating losses and requires continued funding to continue to trade. The financial statements of Independent Print Limited indicate that there is a material uncertainty in relation to the availability of the funding required. The directors acknowledge this risk and believe that should Independent Print Limited cease to trade the directors of the Company would have to consider the implications for the Company, which might include the need to seek further funding to scale up operations or could in extremis include a curtailment of operations. The directors believe this latter outcome to be unlikely.

The directors acknowledge that, as a result of the linkage of the Company's business with Independent Print Limited, under Accounting Standards and the Financial Reporting Council's Guidance for Directors on Going Concern there is a material uncertainty which casts significant doubt on the Company's ability to continue to trade under its current operating model as a going concern and that there is a risk that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

However, notwithstanding this, the Company's directors have prepared the accounts on a going concern basis as they believe that the Company has the ability to change its operating model if required and will have access to adequate funding for a minimum period of twelve months from the date of approval of these financial statements. The Company's lender shareholders have provided written confirmation that they will maintain adequate funding to enable the Company either to continue to trade or, if required, change its operating model or to curtail its activities and meet its liabilities as they fall due in an orderly fashion for a minimum period of twelve months from the date of these financial statements.

Turnover

Turnover comprises revenue recognised by the Company in respect of advertising services provided during the period, exclusive of Value Added Tax.

Advertising revenue is recognised on the day of display or over the period of the campaign.

Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities.

Independent Digital News and Media Limited

Notes to the abbreviated accounts Year ended 28 September 2014

2. Intangible fixed assets

	£
Cost	
At 29 September 2013 and 28 September 2014	<u>1</u>
Net book value	
At 29 September 2013 and 28 September 2014	<u><u>1</u></u>

3. Called up share capital

	2014 £	2013 £
Allotted, called up and fully paid		
A ordinary shares of £1 each	745	745
B ordinary shares of £1 each	<u>300</u>	<u>300</u>
	<u><u>1,045</u></u>	<u><u>1,045</u></u>

4. Related party transactions

During the year, the Company entered into the following transactions with related parties:

All direct and administrative staff continue to be employed by Independent Print Limited and their cost recharged monthly. The total payroll cost recharged during the year amounted to £2,254,126 (2013: £2,023,936) plus £36,827 (2013: £27,660) pension costs.

Additionally, various other direct costs and overheads amounting to £802,019 (2013: £461,943) were also recharged by Independent Print Limited during the year. At the balance sheet date, the Company owed £362,645 (2013: £278,779) to Independent Print Limited, included in other creditors. Independent Print Limited is controlled by Mr Evgeny Lebedev.

During the year, the Company received revenue from a company in which a director has an interest totalling £588,594 (2013: £469,451). The amount owed by this company at 28 September 2014 was £81,226 (2013: £61,183).

The on-going costs of the Company have been funded by way of shareholder loans, which bear interest at a rate of 10% per annum. The amount due from the Company at 28 September 2014 to Mr Evgeny Lebedev was £396,000 (2013: £360,000) and to Mr Justin Byam Shaw was £264,000 (2013: £180,000).

5. Post balance sheet events

On 9 January 2015, the Company incorporated a 100% owned subsidiary in the USA, Independent Digital News and Media, Inc.