

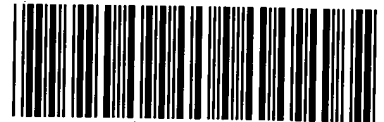
Company Registration No. 07320345

Independent Digital News and Media Limited

Abbreviated accounts

27 September 2015

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Independent Digital News and Media Limited

Financial statements 2015

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Independent Digital News and Media Limited

Financial statements 2015

Officers and professional advisers

Directors

E Lebedev (Chairman)

J D E Byam Shaw

Z Leonard – appointed 11 February 2016

M Malhotra – appointed 11 February 2016

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 6, together with the financial statements of Independent Digital News and Media Limited for the year ended 27 September 2015 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 that 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 22 April 2016 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 qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Group's ability to continue as a going concern. The Group reported a net profit before tax of £1,272,556 during the year ended 27 September 2015 and at that date it had net assets of £1,452,057. However, the operations of the Group are linked to the operations of Independent Print Limited which continues to make significant operating losses and requires continued 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 Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group 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

22 April 2016

Independent Digital News and Media Limited

Abbreviated consolidated balance sheet 27 September 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Investments	2	-	-
Current assets			
Debtors		1,778	1,737
Cash at bank		2,877	745
		4,655	2,482
Creditors: amounts falling due within one year		(3,203)	(2,039)
Net current assets		1,452	443
Total assets less current liabilities		1,452	443
Net assets		1,452	443
Capital and reserves			
Called up share capital	3	1	1
Share premium account		-	-
Profit and loss account		1,451	442
Shareholders' funds		1,452	443

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 22 April 2016.



M Malhotra
Director

The notes on pages 5 to 6 form part of these financial statements.

Independent Digital News and Media Limited

Abbreviated company balance sheet 27 September 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Investments	2	-	-
Current assets			
Debtors		1,773	1,737
Cash at bank		2,833	745
		4,606	2,482
Creditors: amounts falling due within one year		(3,168)	(2,039)
Net current assets		1,438	443
Total assets less current liabilities		1,438	443
Net assets		1,438	443
Capital and reserves			
Called up share capital	3	1	1
Share premium account		-	-
Profit and loss account		1,437	442
Shareholders' funds		1,438	443

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 22 April 2016.



M Malhotra
Director

The notes on pages 5 to 6 form part of these financial statements.

Independent Digital News and Media Limited

Notes to the abbreviated accounts Year ended 27 September 2015

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 Group has made an operating profit in the year and the directors believe that the Group will trade profitably in 2016 and will not require additional funding, absent contingencies or a change in plans. However, the operations of the Group are linked to the operations of Independent Print Limited. On 12 February 2016 the connected company Independent Print Limited announced that it would cease publishing The Independent on Sunday and The Independent in print form on 20 March 2016 and 26 March 2016 respectively and that The Independent would transaction into a digital only global news brand. This has implications for the Group, which might include the need to seek further funding in order to scale up operations. Nevertheless, the directors believe that the Group will trade profitably in 2016 and will not require any such additional funding.

The directors acknowledge that, as a result of the linkage of the Group'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 Group'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. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

However, notwithstanding this, the Group's directors have prepared the accounts on a going concern basis as they believe that the Group 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 Group's lender shareholders have provided written confirmation that they will maintain adequate funding to enable the Group 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 Group 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 27 September 2015

2. Investments

	£
Cost	
At 28 September 2014 and 27 September 2015	1
	<hr/>
Net book value	
At 28 September 2014 and 27 September 2015	1
	<hr/> <hr/>

3. Called up share capital

	2015	2014
	£	£
Allotted, called up and fully paid		
A ordinary shares of £1 each	745	745
B ordinary shares of £1 each	300	300
	<hr/>	<hr/>
	1,045	1,045
	<hr/> <hr/>	<hr/> <hr/>

4. Related party transactions

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

Under the terms of the Services agreement signed between Independent Print Limited and Independent Digital News and Media Limited, following the transfer of business, each company continued to provide its own Editorial content to the other free of charge.

The majority of 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 £3,099,163 (2014: £2,554,126) plus £42,358 (2014: £36,827) pension costs.

Additionally, various other direct costs and overheads amounting to £1,096,764 (2014: £802,019) were also recharged by Independent Print Limited during the year. At the balance sheet date, the Group owed £587,402 (2014: £362,645) to Independent Print Limited, included in other creditors. Independent Print Limited is controlled by Mr Evgeny Lebedev.

The Group received invoices in respect of management and services amounting to £908,122 (2014: £731,505) from Evening Standard Limited. The Group also made sales amounting to £637,352 (2014: £558,833) to Evening Standard Limited. At the balance sheet date, the Group was owed a net £114,301 (2014: £48,702) by Evening Standard Limited. Evening Standard Limited is controlled by Mr Evgeny Lebedev.

During the year, the Group received revenue from a company in which a director has an interest totalling £717,217 (2014: £588,594). The amount owed by this company at 27 September 2015 was £100,599 (2014: £81,226).

The shareholder loans were repaid during the year. The amount due from the Group at 27 September 2015 to Mr Evgeny Lebedev was £nil (2014: £396,000) and to Mr Justin Byam Shaw was £nil (2014: £264,000).

5. Controlling party

The directors regard Mr Evgeny Lebedev, a director and shareholder of the Company, as the ultimate controlling party.