The Irish Times Limited

Directors' report and consolidated financial statements for the financial year ended 31 December 2015

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 31 December 2015

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COMPANY INFORMATION

DIRECTORS	Tom Arnold Brian Caulfield Margaret Elliott Dan Flinter Liam Kavanagh Eoin O'Driscoll Paul O'Neill Terence O'Rourke Kevin O'Sullivan
SECRETARY	Peter Callan
REGISTERED OFFICE	The Irish Times Building, 24/28 Tara Street, Dublin 2.
REGISTERED NUMBER OF INCORPORATION	2514
SOLICITORS	William Fry, Fitzwilton House, Wilton Place, Dublin 2. Hayes, Lavery House, Earlsfort Terrace, Dublin 2.
BANKERS	Bank of Ireland, College Green, Dublin 2.
AUDITORS	Ernst & Young, Chartered Accountants, Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2.

DIRECTORS' REPORT
for the financial year ended 31 December 2015

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

PRINCIPAL ACTIVITY, BUSINESS REVIEW AND LIKELY FUTURE DEVELOPMENTS
The principal activities of The Irish Times are digital and print publishing, the marketing and sale of digital subscriptions and newspapers, printing and other digital activities.

Group turnover increased by 0.4% to €83.6M in a challenging but improved trading environment. Digital revenues continued to grow strongly supported by the launch of digital subscriptions. Advertising revenue grew by 5.3% while The Irish Times increased its overall market share of advertising revenue. Circulation revenue reduced by 4.0% during the financial year due to volume declines. Contract printing revenue reduced by 1.5% due to volume declines partially mitigated by increased revenues from new contracts. The overall increase in costs before exceptional items is 2.0%. This increase is primarily due to increases in payroll costs to support growth in digital content and the launch of digital subscriptions and increases in other retirement benefits due to the move to a defined contribution scheme.

Group operating loss, before exceptional items, was €1.1M compared to an operating profit of €0.8M in 2014. The net cash outflow from operating activities was €1.9M compared to a cash outflow of €0.2M in 2014 which reflects the reduction in operating profit before the exceptional item and the reorganisation costs. The gain on the wind up of the defined benefit pension scheme of €53.6M, and the costs of reorganisation of €1.9M are the key factors in the net exceptional item of €51.7M. The exceptional items are analysed in Note 4 to the financial statements.

Following an extensive consultation process through a joint management/union subcommittee, a recommendation to close the main pension plan and to wind up that scheme was agreed with the trustees effective 1 March 2015. The Board approved additional funding of €11M to enhance transfer values and the terms of a new defined contribution scheme were agreed. A separate scheme for senior management was also similarly wound up.

The continuing volatility in the schemes' liabilities continued during the financial year leading to a further actuarial loss of €11M. The trustees agreed to the winding up of the staff defined benefit pension scheme and signed a wind up resolution with effect from 1 March 2015. The wind up of the senior plan was effective from 19 June 2015. The net gain to the Group statement of comprehensive income as a result of the decision to wind up both plans including the release of deferred tax of €7.9M is €45.6M. This net gain eliminates the deficit on the consolidated and Company statements of financial position.

The Company strategy is focused on returning to sustainable profitability with investment in compelling and distinctive journalism from The Irish Times. This is supported by investment in marketing and technology to enable audience and revenue growth alongside continuing organisational change. Good progress has been made in 2015 in content development, growing digital revenues and launching digital subscriptions. The Company will continue to develop its digital audience and revenues and reduce its cost base. The trading environment is challenging. The market for print advertising has contracted and, in line with recent trends, there is a continuing decline in newspaper sales.

DIRECTORS' REPORT
for the financial year ended 31 December 2015 (Continued)

PRINCIPAL RISKS AND UNCERTAINTIES
The Irish Times Limited operates an ongoing process to identify, evaluate and manage the key risks facing the Company so as to ensure the continuing publication of The Irish Times. The risk management process was established by the Board's audit committee. Key risks include:

- The Irish Times operates in a challenging sector which is subject to structural decline. Replacement of print revenues (advertising, newspaper sales and contract print) with sustainable and long term alternatives is therefore a key challenge.
- There is added risk relating to general economic conditions and the cyclical nature of advertising revenues.
- The sector is exposed to rapid changes in technology. There is a continuing associated risk from new entrants and disruptive business models. These may impact on both reader/consumer behaviour (and therefore consumption of media) along with the information technology systems which support ongoing operations.
- Significant litigation or libel event could have an adverse effect on our financial position. The maintenance of a strong brand and reputation of The Irish Times and the protection of associated intellectual property and copyright is a key objective.
- Any unusually high changes in costs particularly newsprint and salary costs.
- Financial risks including the risk of bad debts.

RESULTS FOR THE FINANCIAL YEAR AND STATE OF AFFAIRS AT 31 DECEMBER 2015
The Group statement of comprehensive income for the year ended 31 December 2015 and the Group statement of financial position at that date are set out on pages 10 and 12 respectively. The operating results for the year reflect the challenging but improved operating environment.

IMPORTANT EVENTS SINCE FINANCIAL YEAR END
There have been no events since the year end which require disclosure in the financial statements.

ACCOUNTING RECORDS
The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014, with regard to books of account. To achieve this, the directors have appointed appropriate accounting personnel who report to the Board in order to ensure that those requirements are complied with. Those books are maintained at the Company's registered office at The Irish Times Building, 24/28 Tara Street, Dublin 2.

REMUNERATION AND NOMINATIONS COMMITTEE
The responsibilities of the committee, delegated to it by the Board, include entering into contracts and setting remuneration levels for the Managing Director, Editor and other Executive Directors.

The members of the committee during the financial year were Tom Arnold, Brian Caulfield, Dan Flinter, Deirdre Forbes and Eoin O'Driscoll. The objective of the committee is to recruit, motivate and retain management and staff of the highest calibre in a competitive market.

DIRECTORS' REPORT
for the financial year ended 31 December 2015 (Continued)

REMUNERATION AND NOMINATIONS COMMITTEE (Continued)
It seeks external and independent professional advice, when required, to ensure that payment levels are set with proper regard to market conditions and internal relativities. All payments to Executive Directors are determined by the Remuneration and Nominations Committee independently of the executives concerned.

The schedule below provides the detail of each director's service during the financial year.

Director	*Position*	*Months in office*	*Remuneration*	*Fees*
Tom Arnold	Non-Executive & Chairman of The Irish Times Trust Limited	12	(Note 1)	Y
Brian Caulfield	Non-Executive	12	N	Y
Margaret Elliott	Non-Executive & Governor of The Irish Times Trust Limited	12	N	Y
Dan Flinter	Non-Executive Chairman	12	(Note 1)	Y
Deirdre Forbes	Non-Executive	12	N	Y
Liam Kavanagh	Managing Director	12	Y	Y
Eoin O'Driscoll	Non-Executive & Governor of The Irish Times Trust Limited	12	N	Y
Paul O'Neill	Deputy Editor	3	Y	Y
Terence O'Rourke	Non-Executive	12	N	Y
Kevin O'Sullivan	Editor	12	Y	Y
Denis Staunton	Deputy Editor	9	Y	Y

Note 1 The chairmen of The Irish Times Limited and The Irish Times Trust Limited each receive an annual salary for their respective positions.
Note 2 Denis Staunton resigned as Deputy Editor on 16 September 2015 and was replaced by Paul O'Neill.
Note 3 Deirdre Forbes resigned as a director on 31 January 2016.

The average number of directors who held office during the financial year was 10 (2014:10). The average number who received executive remuneration was 3 (2014: 3).

Directors' Fees: The basis for the payment of directors' fees in 2015 was as follows:

Chairman of The Irish Times Limited, Chairman of The Irish Times Trust Limited and executive directors – €9,347 per annum (2014: €9,347).

Non-executive directors – fees amounted to €17,500 (which includes a board fee of €9,500 per annum and €8,000 per annum for service on Board sub-committees).

The average fee per director in 2015 was €13,423 (2014: €13,423).

DIRECTORS' REPORT
for the financial year ended 31 December 2015 (Continued)

REMUNERATION AND NOMINATIONS COMMITTEE (Continued)
Remuneration: The schedule below provides an analysis of directors' remuneration (exclusive of fees) which is disclosed in Note 8 to the consolidated financial statements. Remuneration is before all taxes and is inclusive of salary, and in the case of executive directors, performance related pay, benefit-in-kind and pension and related emoluments.

	Note	*2015* *€'000*	*2014* *€'000*
Salary		779	758
Performance related pay	(i)	-	-
Benefits-in-kind	(ii)	62	62
Subtotal		841	820
Pension and related emoluments	(iii)	264	231
Total		1,105	1,051

(i) Performance related pay is set and approved by the Remuneration and Nominations Committee on the basis of the achievement of individual specific targets and objectives. No such payments were made in 2015.

(ii) The benefit-in-kind arrangements for executive directors relate primarily to company cars. There are no loans to directors.

(iii) Pension and related emoluments relate to 3 directors and are in respect of obligations arising under a defined contribution pension scheme. €8,000 of the pension and related emoluments are current service costs of defined benefit schemes which have subsequently been wound up (2014: €24,000).

The annual salaries at 31 December 2015 for the continuing executive director positions and the non-executive chairmen were as follows:

	2015 *€'000*	*2014* *€'000*
Continuing Executive Directors		
Managing Director	270	270
Editor	240	240
Deputy Editor	198	150
Non-Executive Chairmen		
The Irish Times Limited	67	67
The Irish Times Trust Limited	31	31
Total	806	758

DIRECTORS' REPORT
for the financial year ended 31 December 2015 (Continued)

AUDIT COMMITTEE
The responsibilities of the committee, delegated to it by the Board, include underpinning the integrity of the financial reporting, ensuring the effectiveness of the internal control environment and ensuring adherence to good corporate governance. The members of the committee during the financial year were Tom Arnold, Margaret Elliott, Terence O'Rourke and Dan Flinter.

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Irish 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 accounting standards issued by The Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (Generally Accepted Accounting Practice in Ireland). 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 assets, liabilities and financial position, of the Group and parent Company as at the end of the financial year, and the profit or loss for the Group for the financial year, and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; 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 ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

AUDITORS
Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act, 2014.

On behalf of the directors

Dan Flinter	Liam Kavanagh
Director	Director

Date: 16 June 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE IRISH TIMES LIMITED

We have audited the financial statements of The Irish Times Limited for the financial year ended 31 December 2015 which comprise the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Financial Position, the Group and Company Statements of Changes in Equity, the Group Statement of Cash Flows, and the related notes 1 to 30. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish 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 Group's and parent 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 directors' report 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 assets, liabilities and financial position of the Group and parent Company as at 31 December 2015 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Continued /...

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE IRISH TIMES LIMITED (Continued)

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

- In our opinion the accounting records of the Company were sufficient to permit the parent Company financial statements to be readily and properly audited.

- The parent Company balance sheet is in agreement with the accounting records.

- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of sections 305 to 312 of the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Breffni Maguire
for and on behalf of Ernst & Young
Chartered Accountants and Statutory Audit Firm

Dublin

21 June 2016

GROUP STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2015

	Note	2015 €	2014 €
Turnover – continuing operations	3	83,607,326	83,250,996
Cost of sales		(60,668,746)	(58,755,227)
Gross profit		22,938,580	24,495,769
Distribution costs		(11,471,102)	(11,621,612)
Administrative expenses		(12,611,718)	(12,033,210)
Total operating expenses excluding exceptional items		(24,082,820)	(23,654,822)
Group operating (loss) profit before exceptional items		(1,144,240)	840,947
Administrative exceptional items	4	51,702,698	(507,965)
Group operating profit after exceptional items		50,558,458	332,982
Share of results of joint ventures		4,582	6,348
Share of results of associates		(119,190)	(35,768)
Amortisation of goodwill on investment in associates		-	(123,460)
Total operating profit		50,443,850	180,102
Gain on financial assets at fair value through profit and loss		1,486,077	1,196,238
Interest receivable and similar income	5	324,927	766,976
Interest payable and similar charges	6	(379,316)	(23,095)
Other finance costs	7	(169,000)	(716,000)
Profit on ordinary activities before taxation	8	51,706,538	1,404,221
Tax on profit on ordinary activities	10	(8,056,000)	(666,057)
Profit for the financial year attributable to owners of the parent Company	11	43,650,538	738,164
Other comprehensive income			
Actuarial loss on defined benefit pension schemes	20	(11,008,000)	(35,303,000)
Deferred tax on defined benefit pension schemes		1,242,000	3,736,000
Current tax on defined benefit pension schemes	10	135,000	677,000
Total other comprehensive income		(9,631,000)	(30,890,000)
Total comprehensive income for the year attributable to owner of the parent Company		34,019,538	(30,151,836)

COMPANY STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2015

	Note	*2015* €	*2014* €
Profit for the financial year		42,972,232	913,768
Actuarial loss on defined benefit pension schemes	20	(10,882,000)	(34,886,000)
Deferred tax on defined benefit pension schemes		1,227,000	3,692,000
Current tax on defined benefit pension schemes	10	135,000	677,000
Total other comprehensive income		(9,520,000)	(30,517,000)
Total comprehensive income for the financial year		33,452,232	(29,603,232)

GROUP STATEMENT OF FINANCIAL POSITION
for the financial year ended 31 December 2015

	Note	2015 €	2014 €
FIXED ASSETS			
Tangible assets	12	28,432,662	32,132,375
Financial assets	13		
Investment in joint venture		92,402	87,820
Investment in associates		103,534	222,724
Other investments		13,168,167	11,604,797
		41,796,765	44,047,716
CURRENT ASSETS			
Stocks	14	684,068	401,529
Debtors: (amounts falling due within one year)	15	7,719,865	14,364,391
Cash at bank and in hand		9,468,750	11,751,614
		17,872,683	26,517,534
CREDITORS (amounts falling due within one year)	16	(15,756,569)	(15,319,556)
NET CURRENT ASSETS		2,116,114	11,197,978
TOTAL ASSETS LESS CURRENT LIABILITIES		43,912,879	55,245,694
CREDITORS (amounts falling due after more than one year)	17	(140,289)	(277,382)
PROVISIONS FOR LIABILITIES	19	(8,584,078)	(370,338)
RETIREMENT BENEFIT OBLIGATIONS	20	-	(53,429,000)
		35,188,512	1,168,974
CAPITAL AND RESERVES			
Share capital	21	625,138	625,138
Capital conversion reserve fund		9,871	9,871
Profit and loss account		34,553,503	533,965
Shareholders' funds		35,188,512	1,168,974

The financial statements were approved and authorised for issue by the Board of Directors on 16 June 2016 and signed on its behalf by:

Dan Flinter
Director

Liam Kavanagh
Director

COMPANY STATEMENT OF FINANCIAL POSITION
for the financial year ended 31 December 2015

	Note	2015 €	2014 €
FIXED ASSETS			
Tangible assets	12	28,380,709	32,075,961
Financial assets	13	13,168,371	11,605,001
		41,549,080	43,680,962
CURRENT ASSETS			
Stocks	14	672,261	389,373
Debtors: (amounts falling due within one year)	15	17,624,769	24,363,167
Cash at bank and in hand		9,309,217	11,457,728
		27,606,247	36,210,268
CREDITORS (amounts falling due within one year)	16	(25,222,219)	(24,739,051)
NET CURRENT ASSETS		2,384,028	11,471,217
TOTAL ASSETS LESS CURRENT LIABILITIES		43,933,108	55,152,179
CREDITORS (amounts falling due after more than one year)	17	(140,289)	(216,332)
PROVISIONS FOR LIABILITIES	19	(8,584,078)	(370,338)
RETIREMENT BENEFIT OBLIGATIONS	20	-	(52,809,000)
		35,208,741	1,756,509
CAPITAL AND RESERVES			
Share capital	21	625,138	625,138
Capital conversion reserve fund		9,871	9,871
Profit and loss account		34,573,732	1,121,500
Shareholders' funds		35,208,741	1,756,509

The financial statements were approved and authorised for issue by the Board of Directors on 16 June 2016 and signed on its behalf by:

Dan Flinter
Director

Liam Kavanagh
Director

GROUP STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2015

	Share capital	*Capital conversion reserve fund*	*Profit and loss account*	*Total*
	€	€	€	€
At 1 January 2014	625,138	9,871	30,685,801	31,320,810
Profit for financial year	–	–	738,164	738,164
Other comprehensive income			(30,890,000)	(30,890,000)
Total comprehensive income attributable to owners for the year	–	–	(30,151,836)	(30,151,836)
At 31 December 2014	625,138	9,871	533,965	1,168,974
Profit for financial year	–	–	43,650,538	43,650,538
Other comprehensive income			(9,631,000)	(9,631,000)
Total comprehensive income attributable to owners for the year	–	–	34,019,538	34,019,538
At 31 December 2015	625,138	9,871	34,553,503	35,188,512

COMPANY STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2015

	Share capital €	Capital conversion reserve fund €	Profit and loss account €	Total €
At 1 January 2014	625,138	9,871	30,724,732	31,359,741
Profit for financial year	–	–	913,768	913,768
Other comprehensive income	–	–	(30,517,000)	(30,517,000)
Total comprehensive income attributable to owners for the year	–	–	(29,603,232)	(29,603,232)
At 31 December 2014	625,138	9,871	1,121,500	1,756,509
Profit for financial year	–	–	42,972,232	42,972,232
Other comprehensive income	–	–	(9,520,000)	(9,520,000)
Total comprehensive income attributable to owners for the year	–	–	33,452,232	33,452,232
At 31 December 2015	625,138	9,871	34,573,732	35,208,741

GROUP STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2015

	Note	2015 €	2014 €
Net cash flows from operating activities	22	(1,905,457)	(247,256)
Cash flows from investing activities			
Purchase of tangible fixed assets		(519,379)	(91,929)
Interest received		79,772	97,945
Income from financial fixed assets received		200,519	564,587
Investment in joint venture		-	(290,000)
Net cash (outflows) inflows from investing activities		(239,088)	280,603
Cash flows from financing activities			
Capital element of finance lease repaid		(121,870)	(141,620)
Interest paid		(353)	(308)
Interest element of finance lease payment		(16,096)	(22,787)
Net cash outflows from financing activities		(138,319)	(164,715)
Net decrease in cash and cash equivalents		(2,282,864)	(131,368)
Cash and cash equivalents at 1 January		11,751,614	11,882,982
Cash and cash equivalents at 31 December		9,468,750	11,751,614

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015

1. ACCOUNTING POLICIES

(a) *Statement of compliance & Basis of preparation*

The Irish Times Limited is a company incorporated in the Republic of Ireland under the Companies Act 2014. The address of the registered office is given on page 2. The nature of the group's operations and its principal activities are set out in the directors' report on pages 3 to 7.

The Group's financial statements have been prepared in accordance with applicable accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (Generally Accepted Accounting Practice in Ireland).

The Group transitioned from previously extant Irish GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 29.

The functional currency of the Company is considered to be Euro because that is the currency of the primary economic environment in which the Company operates. The Group financial statements are also presented in Euro.

The Irish Times Limited, as a separate standalone entity, meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements. Exemptions have been taken in relation to presentation of a cash-flow statement, intra-group transactions and remuneration of key management personnel.

(b) *Basis of consolidation*

The Group financial statements include the financial statements of The Irish Times Limited and all its subsidiaries, joint venture and associate undertakings made up to the reporting date.

The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Where necessary adjustments are made to subsidiary financial statements to bring the accounting policies in line with those used by the Group. All intra-group transactions, balances income and expenses are eliminated on consolidation.

The Group's share of results of its joint ventures, which are entities in which the Group holds an interest on a long term basis and which are jointly controlled by the Group and one or more other ventures under a contractual arrangement, are accounted for using the equity method. Initial recognition, from the date the investments are finalised is at the transaction price (including transaction costs) subsequently adjusted to reflect the Group's share of profits or loss and other comprehensive income of joint ventures.

The Group's share of results of its associates, which are entities in which the Group has a participating interest and over whose operating and financial policies the Group exercises a significant influence, are accounted for using the equity method.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015

1. ACCOUNTING POLICIES

(b) *Basis of consolidation (Continued.)*

Initial recognition, from the date the investments are finalised is at the transaction price (including transaction costs) which is subsequently adjusted to reflect the Group's share of profits or loss and other comprehensive income of its associates.

Goodwill arising on the acquisition of associates is recognised in line with note 1(h) below. Any unamortised balance of goodwill is included in the carrying value of the investments in associates.

(c) *Going concern*

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review which forms part of the directors' report. The directors' report also describes the principal risks and uncertainties of the Group and the policies and processes in place for managing these risks.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the directors have a reasonable expectation that the Company and the Group have adequate resources 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.

(d) *Currency*

Transactions denominated in foreign currencies are translated to euro at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to euro at the rates of exchange ruling at the reporting date. The resulting profits or losses are dealt with in the Statement of Comprehensive Income.

(e) *Revenue recognition*

Revenue is recognised to the extent that the Group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from the sales of digital advertising, digital subscriptions and contract printing services is measured when the service is delivered to the buyer.

(f) *Advertising and promotional expenditure*

Advertising and promotional expenditure is written off in full in the year in which the costs are incurred.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

1. ACCOUNTING POLICIES (Continued)

(g) *Taxation*

The charge for taxation is based on the profit or loss for the year and takes into account taxation advanced and/or deferred because of timing differences.

Deferred tax is calculated on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date.

Timing differences are temporary differences between profits as computed for tax purposes and total comprehensive income as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax liabilities are recognised in full in respect of net unfavourable timing differences. Deferred tax assets are recognised in respect of net favourable timing differences, including taxation losses available for carry forward. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it will be regarded as more likely than not that there will be suitable table profits from which the future reversals of the underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is not discounted.

(h) *Goodwill*

Goodwill arising on acquisitions, being the excess of the consideration over the fair value of the net assets at the date of acquisition, is capitalised and related amortisation is charged against operating profit on a straight line basis over its useful economic life.

In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

(i) *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is provided at annual rates calculated to write off the cost or valuation, less estimated residual value, over the expected useful life of the assets as follows:

Freehold and long leasehold land	nil
Freehold and long leasehold premises	2% to 10% straight line
Plant and machinery	10% to 33⅓% straight line
Motor vehicles	20% straight line
Office equipment	20% to 33⅓% straight line

Depreciation is provided on additions with effect from the first day of the month of commissioning and on disposals up to the end of the month prior to retirement.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

1. ACCOUNTING POLICIES (Continued)

(i) *Tangible fixed assets and depreciation (continued)*

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

(j) *Impairment of non-financial assets*

The Group assesses at each reporting date whether an asset may be impaired. If any such indication exists the Group estimates recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for all assets, including goodwill, is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

(k) *Leased assets*

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Group, are capitalised in the Statement of Financial Position and are depreciated over their useful lives. The capital elements of future obligations under leases are included as liabilities in the balance sheet. The interest elements of the rental obligations are charged in the Statement of Comprehensive Income over the periods of the leases and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the statement of comprehensive income on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

(l) *Financial fixed assets*

The investments by the Company in subsidiary, joint venture and associate undertakings are shown at cost less provisions for any impairment in value.

Other investments such as investments in non-puttable ordinary shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less provisions for any impairment in value.

(m) *Stocks*

Stocks are valued at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value, on the first-in, first-out basis, cost being invoice price including duty and freight. Due provision is made to reduce any obsolete stock to its net realisable value.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

1. ACCOUNTING POLICIES (Continued)

(n) *Cash and cash equivalents*

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(o) *Short term debtors and creditors*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

(n) *Retirement benefits*

The Group operates a number of defined benefit and defined contribution pension schemes some of which are multi-employer pension schemes. The defined benefit schemes were wound up effective 1 March 2015 and 19 June 2015. Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds.

Defined benefit scheme assets are valued at fair value and liabilities are measured using the projected unit credit method. The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of comprehensive income. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding interest) are recognised through the Group statement of comprehensive income.

Defined contribution scheme costs are charged to the statement of comprehensive income in the accounting period in which they are incurred.

Provision is made for the actuarial valuation of ex-gratia pensions at the time the commitment is recognised. Subsequent adjustments to the computation of the outstanding commitment are dealt with annually in the statement of comprehensive income.

(o) *Exceptional Items*

In order to highlight significant items within the Group results for the year, the Group includes significant items as exceptional items within the statement of comprehensive income. Such items may include restructuring costs, wind up of pension schemes, impairment of assets, profit or loss on disposal or termination of operations and profit or loss on disposal of investments. Judgement is used by the management in assessing the particular items, which by virtue of their scale and nature, should be disclosed in the profit and loss account and notes as exceptional items.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations, that have had the most significant effect on the amounts recorded in the financial statements:

(a) Exceptional items
The Group has adopted an income statement format which highlights significant items within the Group's results for the year. Exceptional items are those items of income and expense that the Group considers are material and/or of such a nature that their separate disclosure is relevant to a better understanding of the Group's financial performance. Judgement is used by the Group in assessing the particular items which, by virtue of their materiality and/or nature, are disclosed in the Group Income Statement and related notes as exceptional items. (Note 4)

(b) Leases
The Group has entered into leases whereby it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the Group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

The following are the key estimates that have had the most significant effect on the amounts recorded in the financial statements:

(a) Impairment of non-financial assets
Where there are indicators of impairment of individual assets, the Group performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from projections for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY(Continued)

(b) *Pension assumptions*

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population of bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 20.

3. TURNOVER

Turnover represents the amounts derived from the provision of goods and services which fall within the Company's ordinary activities, stated net of value added tax.

Turnover by class of business and geographical market are not provided as the directors are of the opinion that the provision of such information would be seriously prejudicial to the interests of the Group.

An analysis of the Group's turnover is as follows:	*2015*	*2014*
	€	€
Sale of goods	59,557,288	60,890,906
Rendering of services	24,050,038	22,360,090
	83,607,326	83,250,996

4. ADMINISTRATIVE EXCEPTIONAL ITEMS

	2015	*2014*
	€	€
Costs of re-organisation	1,863,903	943,201
(Return) impairment of joint venture investment	(13,601)	417,000
Impairment of associate investment	-	292,764
Pension - past service credit	-	(1,145,000)
Gain on wind-up of defined benefit pension schemes	(53,553,000)	-
Total (credit) charge	(51,702,698)	507,965

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

4. ADMINISTRATIVE EXCEPTIONAL ITEMS (Continued)

The costs of re-organisation comprise of redundancy costs and the cost of winding up the defined benefit pension schemes. The tax effect of this for the financial year ended 31 December 2015 was a credit of €232,988 (2014: €117,900). None of the other exceptional items have a tax impact.

The return on joint venture investment in 2015 is due to a return made to the shareholders on the closure of Fortunegreen Limited trading as MetroHerald. The impairment of joint venture investment in 2014 is a provision for the wind up costs of Fortunegreen Limited.

The impairment of associate investment relates to the write down of goodwill on Entertainment Media Networks Limited.

The past service credit is due to a reduction in members' benefits to fund the pension levy.

The gain of €53,553,000 arises on the closure of the defined benefit pension schemes (Note 20), further details of which are provided below:

	€
Settlement gain on closure of schemes (Note 20)	(63,360,000)
Pension settlement provision (Note19)	9,807,000
Gain on wind up	53,553,000
Deferred tax released on closure (Note 10)	(7,921,000)
Net gain	45,632,000

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015 €	*2014* €
Interest receivable	37,799	125,281
Income from financial fixed assets other than shares in Group undertakings	287,128	641,695
	324,927	766,976

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 €	*2014* €
Finance lease interest	16,096	22,787
Interest on bank loans and overdrafts repayable wholly within five years - not by instalments	352	308
Unwinding of discount on pension settlement Provision (Note 19)	362,868	-
	379,316	23,095

7. OTHER FINANCE EXPENSE

	2015 €	*2014* €
Interest on net defined benefit retirement benefit obligations	(169,000)	(716,000)

8. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015 €	*2014* €
The profit on ordinary activities before taxation is stated after charging:		
Directors' emoluments		
Details of directors' remuneration are included in the Directors' Report.		
Fees	134,226	134,226
Remuneration:		
Executive directors	742,839	722,544
Pension and related emoluments	264,169	230,653
Chairmens' salaries	97,942	97,942
	1,104,950	1,051,139
Pension paid to former director	11,776	11,776
Auditors' remuneration – Audit of Group accounts	92,000	92,000
– Other assurance services	31,000	31,000
– Tax advisory services	30,650	39,635
– Other non-audit services	-	-
Amortisation of goodwill – associates	-	123,460
Depreciation of tangible fixed assets	4,219,095	4,243,682
Operating lease rentals – plant and machinery	422,633	438,767
– other	1,640,809	1,697,030

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

9. STAFF NUMBERS AND COSTS

GROUP

The average monthly number of employees, including executive directors, who worked in the Group during the financial year was as follows:

	2015 Number	*2014 Number*
Printing, publishing and distribution	444	423

The aggregate payroll costs comprise:

	€	€
Wages and salaries	30,252,696	28,529,136
Social welfare costs	3,278,210	3,178,710
Other retirement benefit costs	4,077,823	2,137,327
	37,608,729	33,845,173

Other retirement benefit costs include the current service cost, in respect of the defined benefit pension scheme, ex-gratia pension costs and professional fees incurred in managing the Group pension schemes. Defined benefit scheme costs included in other retirement benefit costs for the financial year amounted to €663,365 (2014: €2,002,253). Defined contribution scheme costs included in other retirement benefit costs for the financial year amounted to €3,414,458 (2014: €135,074).

COMPANY

The average number of employees, including executive directors, who worked in the Company during the financial year was as follows:

	2015 Number	*2014 Number*
Printing, publishing and distribution	430	407

The aggregate payroll costs comprise:

	€	€
Wages and salaries	29,742,746	28,083,821
Social welfare costs	3,222,311	3,121,664
Other retirement benefit costs	4,056,998	2,098,501
	37,022,055	33,303,986

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

9. STAFF NUMBERS AND COSTS (continued)

Other retirement benefit costs include the current service cost, past service costs and settlements and curtailments in respect of the defined benefit pension scheme, ex-gratia pension costs and professional fees incurred in managing the Company pension schemes. Defined benefit scheme costs included in other retirement benefit costs for the financial year amounted to €661,879 (2014: €1,967,837). Defined contribution scheme costs included in other retirement benefit costs for the financial year amounted to €3,395,119 (2014: €130,664).

		2015	*2014*
10.	TAX ON PROFIT ON ORDINARY ACTIVITIES	€	€
(a)	*The tax charge is made up as follows:*		
	Current tax:		
	Irish Corporation tax at 12.5%	-	-
	Over provision in respect of prior financial years	-	(10,943)
		-	(10,943)
	Transfer from other comprehensive income	135,000	677,000
	Total current tax	135,000	666,057
	Deferred tax:		
	Deferred tax asset released on wind-up of pension schemes	7,921,000	-
	Tax on profit on ordinary activities	8,056,000	666,057
(b)	*Tax included in other comprehensive income*		
	Actuarial movement on pension scheme	1,242,000	3,736,000

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

10. TAX ON PROFIT ON ORDINARY ACTIVITIES (Continued)

(c) Factors affecting the current tax charge for the financial year

The current tax charge for the financial year differs from the amount computed by applying the standard rate of corporation tax in the Republic of Ireland to the loss on ordinary activities before taxation. The sources and tax effects of the differences are explained below:

	2015	*2014*
	€	€
Profit on ordinary activities	51,706,538	1,404,221
Profit on ordinary activities multiplied by the standard tax rate 12.5%	6,463,317	175,528
Effect of:		
Expenses not deductible and non-taxable income	766,342	(55,022)
Impairments disallowed	-	17,320
Other timing differences including differences between capital allowances and depreciation and movement in provisions	251,997	365,803
Losses arising in the financial year not utilised in current year	570,584	160,844
Higher tax rates on investment income	3,760	12,527
Over provision in respect of previous financial years	-	(10,943)
Total tax charge for the financial year	8,056,000	666,057

(d) Factors that may affect future taxation charges

Under present legislation, the Company is subject to Irish corporation tax at a rate of 12.5% on profits.

The Group has tax losses arising in Ireland of €32.8M (2014: €28.4M) that are available indefinitely for offset against future taxable profits of those companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as uncertainty exists regarding their utilisation.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

10. TAX ON PROFIT ON ORDINARY ACTIVITIES (Continued)

(e) *Deferred tax*

Group

The deferred tax included in the statement of financial position is as follows:

	2015	*2014*
	€	€
Included in debtors, related to pension liability	-	6,679,000

	€
At 31 December 2013	2,943,000
Amount credited to other comprehensive income	3,736,000
At 31 December 2014	6,679,000
Amount credited to other comprehensive income	1,242,000
Released on closure of pension schemes (note 20)	(7,921,000)
At 31 December 2015	-

Company

The deferred tax included in the statement of financial position is as follows:

	2015	*2014*
	€	€
Included in debtors, related to pension liability	-	6,601,000

	€
At 31 December 2013	2,910,000
Amount credited to other comprehensive income	3,691,000
At 31 December 2014	6,601,000
Amount credited to other comprehensive income	1,227,000
Released on closure of pension schemes	(7,828,000)
At 31 December 2015	-

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

11. PROFIT FOR THE FINANCIAL YEAR

The Company has availed of exemptions set out in section 304 of the Companies Act, 2014 from laying the Company's individual profit and loss account before the annual general meeting and from filing it with the Registrar of Companies. The profit for the financial year accounted for by the Company dealt with in the Group statement of comprehensive income was €42,972,232 (2014: €913,768).

The fees paid to the auditors in respect of the audit of the Company individual accounts in 2015 was €82,000 (2014: €82,000). In addition the auditors received fees of €17,000 and €17,000 in respect of other assurance services, and €30,650 and €39,635 in respect of tax advisory services in 2015 and 2014 respectively. The auditors did not receive any fees for other non-audit services in either financial year. Note 8 provides additional information regarding auditors' remuneration at the consolidated level.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

12. TANGIBLE FIXED ASSETS

	Freehold and long leasehold land and premises €	*Plant & machinery* €	*Motor vehicles* €	*Office equipment* €	*Total* €
GROUP					
Cost					
At 31 December 2013	47,211,935	59,499,492	41,860	6,718,265	113,471,552
Additions during financial year	-	77,841	-	16,785	94,626
Disposals during financial year	-	(576,254)	-	(44,134)	(620,388)
At 31 December 2014	47,211,935	59,001,079	41,860	6,690,916	112,945,790
Additions during financial year	2,543	474,037	5,500	37,302	519,382
Disposals during financial year	-	-	-	-	-
At 31 December 2015	47,214,478	59,475,116	47,360	6,728,218	113,465,172
Depreciation					
At 31 December 2013	21,587,749	49,038,296	38,737	6,522,641	77,187,423
Charged during financial year	2,667,599	1,538,835	2,676	34,572	4,243,682
Disposals during financial year	-	(575,576)	-	(42,114)	(617,690)
At 31 December 2014	24,255,348	50,001,555	41,413	6,515,099	80,813,415
Charged during financial year	2,668,233	1,519,127	630	31,105	4,219,095
Disposals during financial year	-	-	-	-	-
At 31 December 2015	26,923,581	51,520,682	42,043	6,546,204	85,032,510
Net book value at					
At 31 December 2015	20,290,897	7,954,434	5,317	182,014	28,432,662
At 31 December 2014	22,956,587	8,999,524	447	175,817	32,132,375

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

12. TANGIBLE FIXED ASSETS (Continued)

	Freehold and long leasehold land and premises	*Plant & machinery*	*Motor vehicles*	*Office equipment*	*Total*
COMPANY	*€*	*€*	*€*	*€*	*€*
Cost					
At 31 December 2013	47,210,107	58,775,654	41,860	1,498,923	107,526,544
Additions during financial year	-	62,676	-	5,785	68,461
Disposals during financial year	-	(8,949)	-	-	(8,949)
At 31 December 2014	47,210,107	58,829,381	41,860	1,504,708	107,586,056
Additions during financial year	-	470,251	5,500	15,503	491,254
Disposals during financial year	-	-	-	-	-
At 31 December 2015	47,210,107	59,299,632	47,360	1,520,211	108,077,310
Depreciation					
At 31 December 2013	21,585,918	48,319,928	38,738	1,363,332	71,307,916
Charged during financial year	2,667,599	1,530,202	2,676	10,651	4,211,128
Disposals during financial year	-	(8,949)	-	-	(8,949)
At 31 December 2014	24,253,517	49,841,181	41,414	1,373,983	75,510,095
Charged during financial year	2,667,599	1,508,370	630	9,907	4,186,506
Disposals during financial year	-	-	-	-	-
At 31 December 2015	26,921,116	51,349,551	42,044	1,383,890	79,696,601
Net book value at					
At 31 December 2015	20,288,991	7,950,081	5,316	136,321	28,380,709
At 31 December 2014	22,956,590	8,988,200	446	130,725	32,075,961

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

12. TANGIBLE FIXED ASSETS (Continued)

Capitalised leased assets – Group
Included in the cost of plant and machinery and office equipment is an amount of capitalised leased assets of €602,961 (2014: €602,961). The depreciation charge in respect of capitalised leased assets for the financial year ended 31 December 2015 amounted to €112,091 (2014: €112,091) and accumulated depreciation was €399,303 (2014: €287,212). The carrying value of the leased assets at 31 December 2015 is €203,658 (2014: €315,749).

Capitalised leased assets – Company
Included in the cost of plant and machinery is an amount of capitalised leased assets of €560,454 (2014: €560,454). The depreciation charge in respect of capitalised leased assets for the financial year ended 31 December 2015 amounted to €112,091 (2014: €112,091) and accumulated depreciation was €356,796 (2014 €244,705). The carrying value of the leased assets at 31 December 2015 is €203,658 (2014: €315,749).

13. FINANCIAL FIXED ASSETS

	Group		*Company*	
	2015	*2014*	*2015*	*2014*
	€	€	€	€
Investment in subsidiary undertakings *(a)*	-	-	204	204
Investment in joint venture undertakings *(b)*	92,402	87,820	-	-
Investment in associates *(c)*	103,534	222,724	-	-
Other investments *(d)*	13,168,167	11,604,797	13,168,167	11,604,797
	13,364,103	11,915,341	13,168,371	11,605,001

(a) *Investment in subsidiary undertakings - Company*

	Shares at cost	*Total*
	€	€
At beginning and end of financial year	204	204

In the opinion of the directors, the value of the shares, none of which are listed, is not less than cost.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

13. FINANCIAL FIXED ASSETS (Continued)

(a) *Investment in subsidiary undertakings – Company (continued)*

Subsidiary undertakings at 31 December 2015:

Name	*Registered office*	*Proportion held by: Company*	*subsidiary*	*Nature of business*
Itronics Limited	The Irish Times Building 24/28 Tara Street Dublin 2	100%	–	Training and related services
Sharmal Limited	The Irish Times Building 24/28 Tara Street Dublin 2	100%	–	Holding Company
MyHome Limited	The Irish Times Building 24/28 Tara Street Dublin 2	–	100%	Property website
D'Olier Investments Limited	The Irish Times Building 24/28 Tara Street Dublin 2	100%	–	Holding company
Gloss Publications Limited	The Courtyard 40 Main Street Blackrock Co. Dublin	–	50%	Magazine publisher
DigitalworX Limited	The Irish Times Building 24/28 Tara Street Dublin 2	100%	–	Website publisher

Unless otherwise stated, all shareholdings represent interests in ordinary share capital.

(b) *Investment in joint venture undertakings*

	€
GROUP	
Cost	
At 31 December 2013	81,472
Share of profits during financial year	6,348
Loans advanced to joint ventures	290,000
Impairment of joint venture investment	(290,000)
At 31 December 2014	87,820
Share of profits during financial year	4,582
At 31 December 2015	92,402

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

13. FINANCIAL FIXED ASSETS (Continued)

(b) *Investment in joint venture undertakings (continued)*

Investment in joint ventures comprises of D'Olier Investments Limited's share of the assets and liabilities of Sortridge Limited and Digital Media Brokers Limited. In the prior year it also included The Irish Times Limited's share of the assets and liabilities of Fortunegreen Limited together with the associated goodwill, less amortisation to date, and provision for impairment. Fortunegreen Limited ceased publishing Metroherald on 19 December 2014.

Joint ventures at 31 December 2015:

Name	*Registered office*	*Proportion held by: Company*	*subsidiary*	*Nature of business*
Sortridge Limited	2 Tivoli Tce East Dun Laoghaire Co. Dublin	–	50%	Advertising sales representation
Digital Media Brokers Limited	2 Tivoli Tce East Dun Laoghaire Co. Dublin	–	50%	Digital sales representation

Unless otherwise stated, all shareholdings represent interests in ordinary share capital.

(c) *Investment in associates*

	€
GROUP	
Cost	
At 31 December 2013	674,716
Share of losses during financial year	(35,768)
Goodwill amortisation	(123,460)
Impairment of goodwill	(292,764)
At 31 December 2014	222,724
Share of losses during financial year	(119,190)
	103,534

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

13. FINANCIAL FIXED ASSETS (Continued)

(c) *Investment in associates (continued)*

Investment in associates comprises of The Irish Times Limited's share of the assets and liabilities of Entertainment Media Networks Limited together with the associated goodwill, less amortisation to date, that arose on the investments.

Name	*Registered office*	*Proportion held by company*	*Nature of business*
Entertainment Media Networks Limited	26 Great Strand Street Dublin 1	31.70%	Online entertainment publishing

Unless otherwise stated, all shareholdings represent interests in ordinary share capital.

(d) *Other investments*

	Group		*Company*	
	2015	*2014*	*2015*	*2014*
	€	*€*	*€*	*€*
Listed investments	4,604,286	3,237,148	4,604,286	3,237,148
Unlisted investments	8,563,881	8,367,649	8,563,881	8,367,649
	13,168,167	11,604,797	13,168,167	11,604,797

Listed investments consist of shares of quoted companies on recognised stock exchanges. The fair value of listed investments was determined with reference to the quoted market price at the reporting date.

Unlisted investments consist of a 0.75% share of Press Association Limited, an Irish Life property fund and an Irish Life guaranteed fund. The fair value of unlisted investments was determined with reference to the net assets of Press Association Limited and the bid prices of the two funds.

The following is a schedule of the movement in value of the investments:

Movements:	*Group*		*Company*	
	2015	*2014*	*2015*	*2014*
	€	*€*	*€*	*€*
At 1 January	11,604,797	10,339,896	11,604,797	10,339,896
Income	77,293	68,663	77,293	68,663
Fair Value Adjustments				
- Listed Investments	1,367,138	404,720	1,367,138	404,720
- Unlisted Investments	118,939	791,518	118,939	791,518
At 31 December	13,168,167	11,604,797	13,168,167	11,604,797

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

14. STOCKS

	Group 2015 €	Group 2014 €	Company 2015 €	Company 2014 €
Newsprint and materials	684,068	401,529	672,261	389,373

The replacement cost of the above categories of stock does not differ materially from their stated balance sheet values.

15. DEBTORS

	Group 2015 €	Group 2014 €	Company 2015 €	Company 2014 €
Amounts falling due within one year:				
Trade debtors	5,886,698	5,631,180	4,657,821	4,502,534
Amounts due from joint ventures	908,977	1,017,125	908,977	1,017,125
Amounts due from Group companies	-	-	11,257,739	11,257,781
Amounts due from associate companies	-	40,200	-	40,200
Other debtors	83,338	84,059	54,764	55,483
Corporation tax recoverable	9,052	15,300	1,551	-
Prepayments and accrued income	831,800	897,527	743,917	889,044
Deferred tax (Note 10)	-	6,679,000	-	6,601,000
	7,719,865	14,364,391	17,624,769	24,363,167

16. CREDITORS amounts falling due within one year

	Group 2015 €	Group 2014 €	Company 2015 €	Company 2014 €
Trade creditors	3,913,153	3,739,812	3,815,882	3,609,965
Tax and social welfare *(a)*	3,138,400	2,604,556	3,105,109	2,579,593
Accruals	7,641,014	7,636,593	7,278,365	7,381,487
Deferred income	973,974	1,214,167	973,974	1,082,504
Amounts due to joint ventures	20,060	8,636	20,060	10,848
Amounts owed to Group companies	-	-	9,958,861	9,958,861
Finance lease obligations (Note 23 (a))	69,968	115,792	69,968	115,793
	15,756,569	15,319,556	25,222,219	24,739,051

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

16. CREDITORS amounts falling due within one year *(continued)*

(a) *Tax and social welfare comprises:*

	Group		*Company*	
	2015	*2014*	*2015*	*2014*
	€	*€*	*€*	*€*
Value added tax	1,969,699	1,394,745	1,947,167	1,380,230
Employment taxes	1,168,701	1,163,639	1,157,942	1,153,191
Corporation tax	–	46,172	–	46,172
	3,138,400	2,604,556	3,105,109	2,579,593

17. CREDITORS amounts falling due after more than one year

	Group		*Company*	
	2015	*2014*	*2015*	*2014*
	€	*€*	*€*	*€*
Other creditors	–	61,048	–	–
Finance lease obligations (Note 23(a))	140,289	216,334	140,289	216,332
	140,289	277,382	140,289	216,332

18. BANK FACILITIES

Certain of the Group's bank facilities are secured by fixed and floating charges over certain assets and are subject to compliance with a number of general and financial covenants.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

19. PROVISIONS

GROUP

	Restructuring(i)	*Ex-Gratia pension(ii)*	*Pension settlement provision(iii)*	*Total*
	€	€	€	€
Cost				
At 31 December 2013	30,195	344,928	-	375,123
Provided during financial year	943,201	21,460	-	964,661
Utilised during financial year	(969,446)	-	-	(969,446)
At 31 December 2014	3,950	366,388	-	370,338
Provided during financial year	1,863,903	-	-	1,863,903
Utilised during financial year	(1,270,741)	(46,218)	-	(1,316,959)
Pension scheme liability	-	-	9,807,000	9,807,000
Pension scheme payments	-	-	(2,503,072)	(2,503,072)
Unwinding of discount	-	-	362,868	362,868
At 31 December 2015	597,112	320,170	7,666,796	8,584,078

COMPANY

	Restructuring(i)	*Ex-Gratia pension(ii)*	*Pension settlement provision(iii)*	*Total*
	€	€	€	€
Cost				
At 31 December 2013	30,195	344,928	-	375,123
Provided during financial year	943,201	21,460	-	964,661
Utilised during financial year	(969,446)	-	-	(969,446)
At 31 December 2014	3,950	366,388	-	370,338
Provided during financial year	1,863,903	-	-	1,863,903
Utilised during financial year	(1,270,741)	(46,218)	-	(1,316,959)
Pension scheme liability	-	-	9,807,000	9,807,000
Pension scheme payments	-	-	(2,503,072)	(2,503,072)
Unwinding of discount	-	-	362,868	362,868
At 31 December 2015	597,112	320,170	7,666,796	8,584,078

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

19. PROVISIONS (Continued)

(i) *Restructuring*
This provision relates primarily to redundancy costs.

(ii) *Ex-Gratia Pensions*
This provision relates to future payments to certain former employees of The Irish Times Limited. The provision includes an amount of €128,515 (2014: €132,003), which relates to a former director of the Company.

(iii) As per note 20, the defined benefit pension plans were wound up on 1 March 2015 and 19 June 2015.

The liability is a settlement provision due to an agreement entered into by the Group and Company to enhance transfer values totalling €11M. This amount has been recorded in accordance with Section 21 *Provisions and Contingencies* of FRS 102. The payments are payable over 7 years and these have been discounted to a present value using a discount rate of 3.7%.

20. RETIREMENT BENEFIT SCHEME

The Company operates two defined benefit pension schemes. One of the pension schemes is specific to the Company, while the other scheme is a multi-employer pension scheme, which is operated in conjunction with a subsidiary undertaking. The schemes are funded by the payment of contributions to separately administered trust funds.

Following an extensive consultation process through a joint management/union subcommittee, a recommendation to close the main pension plan and to wind up that scheme was agreed with the trustees effective 1 March 2015. The Employer and Employees ceased making contributions to the Pension Plan from this date. As part of the agreement, it was agreed that the total value of the pension fund relating to active and deferred members would be transferred to The Irish Times Limited Defined Contribution Pension Plan and an annuity policy was put in place for the purposes of the pensioners. It was agreed that the Company will pay €11M in enhanced transfer value over 7 years to The Irish Times Limited Defined Contribution Pension Plan scheme. A separate scheme for senior management was also similarly wound up on 19 June 2015.

For funding purposes the contributions are based on the advice of an independent professionally qualified actuary obtained at three yearly intervals. The latest full actuarial valuations of the plans were at 1 January 2014 and used the attained age method.

The actuarial reports are not available for public inspection but all relevant information is supplied to members of the plans.

The assumptions used for the purpose of FRS 102 are based on the valuation by the schemes' actuary at 1 January 2014 updated at the balance sheet date. The valuation of liabilities has been performed using the projected unit method.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

The financial assumptions used to calculate schemes liabilities, which have been consistently applied to both the Group and Company, at 31 December are:

GROUP

	31/12/2015	*31/12/2014*
Rate of increase in pensionable salaries	-	1.50% p.a. until 2019
	-	2.50% p.a. thereafter
Rate of increase in pension payments		0.00%
Discount rate on scheme liabilities	-	2.20%

Post-retirement mortality:
The number of members in the scheme and the number of deaths have been too small to analyse and produce any meaningful scheme-specific estimates of future levels of mortality. Accordingly standard tables have been used as follows:

Current pensioners at 65	108% PNMLOO with CSO improvements from 2006 Age reduction -1
Future pensioners at 65	108% PNMLOO with CSO improvements from 2006 Age reduction -1

The expected long term rates of return on the scheme assets are 0% as the schemes closed after the financial year end.

The net pension liability is analysed as follows:

	At 31 December 2015 €'000	*% of scheme assets*	*At 31 December 2014 €'000*	*% of scheme assets*
Scheme assets at fair value:				
Equities	-	-	210	0.1%
Bonds	-	-	136,347	55.2%
Property	-	-	9,308	3.8%
Other	-	-	101,049	40.9%
Fair value of scheme assets	-		246,914	
Present value of scheme liabilities	-		(300,343)	
Defined benefit pension scheme deficit	-		(53,429)	
Related deferred tax asset	-		6,679	
Net pension liability	-		(46,750)	

The pension plan has not invested in any of the Company's own financial instruments nor in properties or other assets used by the Company.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

The amounts recognised in the statement of comprehensive income for the financial year are analysed as follows:

Recognised in Profit:

	2015	*2014*
	€'000	*€'000*
Current service cost	(654)	(2,142)
Past service credit (note 4)	-	1,145
Recognised in arriving at operating profit	(654)	(997)
Interest on net defined benefit pension liability	(169)	(716)
Other finance expense	(169)	(716)
Total recognised in profit	(823)	(1,713)

Recognised in Other Comprehensive Income:

	2015	*2014*
	€'000	*€'000*
Recognised in Other Comprehensive Income	(11,008)	(35,303)
Total cost relating to defined benefit schemes recognised in statement of comprehensive income	(11,831)	(37,016)

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

Changes in the present value of the defined benefit obligations are analysed as follows:

	2015	*2014*
	€'000	*€'000*
At beginning of financial year	300,343	241,860
Current service cost	654	2,142
Interest cost	1,315	8,896
Benefits paid	(1,919)	(9,267)
Changes in assumptions	19,202	56,096
Past service cost amendment	-	(1,145)
Settlement gain	(62,619)	-
Members contributions	340	1,953
Premiums paid	(45)	(192)
Settlements	(257,271)	-
At end of financial year	-	300,343

Changes in the fair value of plan assets are analysed as follows:

	2015	*2014*
	€'000	*€'000*
At beginning of financial year	246,914	218,321
Return on plan assets	8,194	20,793
Interest Income	1,146	8,180
Employer contribution	1,900	7,126
Benefits paid	(1,919)	(9,267)
Members contributions	340	1,953
Premiums paid	(45)	(192)
Settlements	(256,530)	-
At end of financial year	-	246,914

The Group paid pension scheme contributions of €1,900,000 in 2015 which are the Group contributions up to the date of closure.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

COMPANY

The net pension liability is analysed as follows:

	At 31 December 2015 €'000	*% of scheme assets*	*At 31 December 2014 €'000*	*% of scheme assets*
Scheme assets at fair value:				
Equities	-		206	0.1%
Bonds	-		135,175	55.2%
Property	-		9,199	3.8%
Other	-		99,896	40.9%
Fair value of scheme assets	-		244,476	
Present value of scheme liabilities	-		(297,285)	
Defined benefit pension scheme deficit	-		(52,809)	
Related deferred tax asset	-		6,601	
Net pension liability	-		(46,208)	

The pension plan has not invested in any of the Company's own financial instruments nor in properties or other assets used by the Company.

Changes in the present value of the defined benefit obligations are analysed as follows:

	2015 €'000	*2014 €'000*
At beginning of financial year	297,285	239,570
Current service cost	647	2,120
Interest cost	1,304	8,811
Benefits paid	(1,907)	(9,234)
Changes in assumptions	18,991	55,411
Past service cost amendment	-	(1,132)
Settlement gain	(62,619)	-
Members contributions	336	1,929
Premiums paid	(45)	(190)
Settlements	(253,992)	-
At end of financial year	-	297,285

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

Changes in the fair value of plan assets are analysed as follows:

	2015 *€'000*	*2014* *€'000*
At beginning of financial year	244,476	216,298
Return on plan assets	8,109	20,525
Interest on plan assets	1,137	8,103
Employer contribution	1,886	7,044
Benefits paid	(1,907)	(9,234)
Members contributions	336	1,913
Premiums paid	(45)	(174)
Settlements	(253,992)	-
At end of financial year	-	244,476

The Company paid pension scheme contributions of €1,886,000 in 2015 which are the Company contributions up the date of closure.

21. CALLED UP SHARE CAPITAL AND RESERVES

(a) *Called up share capital*

	2015 €	*2014* €
GROUP AND COMPANY		
Authorised, allotted, called up and fully paid:		
500,000 ordinary shares of €1.25 each	625,000	625,000
110 preference shares of €1.25 each	138	138
	625,138	625,138

The Company has one class of ordinary shares which carry no right to fixed income.

In accordance with the memorandum of association of the Company, no portion of the income and property of the Company can be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to members of the Company except that the holders of all the preference shares retain their entitlement to repayment at par of the amount of capital paid up thereon (€1.25 per share) in a winding up or dissolution of the Company.

The ordinary shares are non-voting shares.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

21. CALLED UP SHARE CAPITAL AND RESERVES (Continued)

(b) Reserves

The Group and Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses.

The capital conversion reserve fund of €9,871 represents a reserve created due to the renominalisation of share capital subsequent to the changeover to the Euro.

22. RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOW

	2015 €	*2014* €
Operating profit	50,558,458	332,982
Investment impairment	-	723,317
Depreciation of tangible fixed assets	4,219,093	4,243,682
(Increase) decrease in stocks	(282,539)	567,333
Decrease (increase) in debtors	6,605,620	(3,737,589)
Increase (decrease) in creditors	482,016	(23,534)
Interest element of defined benefit pension plan settlement	(362,868)	-
Gain on windup of defined benefit pension plans	(53,553,000)	-
Decrease in operating provisions and pension balances	(9,518,260)	(2,397,785)
	(1,851,480)	(291,594)
Taxation		
Corporation tax refund	10,739	48,829
Corporation tax paid	(64,716)	(4,491)
Cash generated by operations	(1,905,457)	(247,256)

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

23. COMMITMENTS

(a) *Finance Leases*

The Group and Company use finance leases to acquire plant and machinery. These leases have terms of renewal but no purchase options or escalation clauses. Renewals are at the option of the lessee. Future minimum lease payments due under finance leases are as follows:

Group

	2015	*2014*
	€	*€*
Amounts payable:		
Not later than one year	79,373	131,888
Later than one year and not later than 5 years	143,042	228,490
Less: Finance charges allocated to future periods	(12,158)	(28,252)
	210,257	332,126

Company

	2015	*2014*
	€	*€*
Amounts payable:		
Not later than one year	79,373	131,888
Later than one year and not later than 5 years	143,042	228,490
Less: Finance charges allocated to future periods	(12,158)	(28,252)
	210,257	332,126

In addition the Company has commitments to pay €100,815 in relation to support and maintenance costs related to the leased assets between 2016 and 2017.

(b) *Operating leases*

Future minimum rentals payable under non-cancellable operating leases are as follows:

GROUP	*Land and buildings*	*Other*	*Total*
	€	*€*	*€*
Not later than one year	1,615,000	312,301	1,927,301
Later than one year and not later than 5 years	6,536,147	217,618	6,753,765
Later than five years	15,866,667	–	15,866,667
	24,017,814	529,919	24,547,732

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

23. COMMITMENTS (continued)

COMPANY	*Land and buildings* €	*Other* €	*Total* €
Not later than one year	1,615,000	306,398	1,921,398
Later than one year and not later than 5 years	6,516,667	217,126	6,733,793
Later than five years	15,866,667	-	15,866,667
	23,998,334	523,524	24,521,857

24. CONTINGENT LIABILITIES

There were no material contingent liabilities affecting the Group or the Company at 31 December 2015.

25. GUARANTEES

Pursuant to the provisions of Section 357, Companies Act 2014, the Company guarantees the liabilities of the following subsidiaries for the financial year ended 31 December 2015 and, as a result, those subsidiaries will be exempted from the filing provisions of Sections 347 and 348, Companies Act 2014:

Itronics Limited
Sharmal Limited
MyHome Limited
D'Olier investments Limited
DigitalworX Limited

26. GROUP RELATIONSHIPS AND CONTROLLING PARTIES

The Company is a wholly owned subsidiary of The Irish Times Holdings, a Company incorporated in the Republic of Ireland that does not prepare consolidated financial statements. The parent undertaking of the smallest and largest group of undertakings for which Group financial statements are drawn up, and of which the Company is a member, is The Irish Times Trust Limited, a Company incorporated in the Republic of Ireland. The ultimate controlling party is The Irish Times Trust Limited. The consolidated financial statements of The Irish Times Trust Limited are filed in the Companies Registration Office, Parnell House, Parnell Square, Dublin 1.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

27. RELATED PARTY TRANSACTIONS

For the purposes of the disclosure requirements of Section 33.7 of FRS 102 the term "Key management personnel" (that is those persons having authority and responsibility for planning, directing and controlling the activities of the Group) comprises the Board of Directors which manages the business and affairs of the Company and the Group. Total remuneration for key management personnel for the year totalled €1,239,176 (2014: €1,185,365).

The Company has availed of the exemption provided in FRS 102 Section 33 *Related Party Disclosures* for subsidiary undertakings 100% or more of whose voting rights are controlled within the Group, from the requirements to give details of transactions with entities that are part of the Group or investees of the Group qualifying as related parties.

During the financial year the Group entered into transactions in the ordinary course of business with other related parties. Transactions entered into, and trading balances outstanding at financial year end are as follows:

	Sales To related Party 2015	*Sales To related Party 2014*	*Purchases From related Party 2015*	*Purchases From related Party 2014*
	€	€	€	€
Fortunegreen Limited	(3,490)	409,710	-	7,315
Gloss Publications Limited	57,602	29,400	13,794	22,144
Entertainment Media Networks Limited	56,464	35,063	58,858	7,800
Sortridge Limited	2,233,978	2,100,967	28,475	47,773
Digital Media Brokers Limited	13,505	7,038	13,289	-

	Amounts owed to Related Party 2015	*Amounts owed to Related Party 2014*	*Amounts owed by Related Party 2015*	*Amounts owed by Related Party 2014*
	€	€	€	€
Fortunegreen Limited	-	-	-	106,123
Gloss Publications Limited	-	668	13,402	10,332
Entertainment Media Networks Limited	-	-	-	40,200
Sortridge Limited	6,175	8,637	907,607	902,345
Digital Media Brokers Limited	13,885	-	1,370	8,657

28. SUBSEQUENT EVENTS

There have been no events since the year end which require disclosure in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

29. TRANSITION TO FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous Irish GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard. The impact from the transition to FRS 102 is as follows:

Reconciliation of equity

	GROUP		*COMPANY*	
	At 1 January 2014	*At 31 December 2014*	*At 1 January 2014*	*At 31 December 2014*
	€	*€*	*€*	*€*
Equity reported under previous Irish GAAP	29,202,215	(2,145,859)	29,241,146	(1,558,324)
Adjustments to equity on transition to FRS 102:				
1. Unrealised investment gain on listed investments	1,019,082	1,423,802	1,019,082	1,423,802
2. Unrealised investment gain on unlisted investments	464,504	1,256,022	464,504	1,256,022
Equity reported under FRS 102	30,685,801	533,965	30,724,732	1,121,500

The Group and Company have listed and unlisted investments that were carried at the lower of cost or written down value under previous GAAP. Adjusting the listed and unlisted investments to fair value under FRS 102 has resulted in unrealised gains. The listed investments have been adjusted to their quoted market value at year end. Unlisted investments consist of a 0.75% share of Press Association Limited, an Irish Life property fund and an Irish Life pension cash fund. The fair value of unlisted investments was determined with reference to the net assets of Press Association Limited and the bid prices of the two funds.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015 (Continued)

29. TRANSITION TO FRS 102 (Continued)

Reconciliation of profit or loss for 2014

	GROUP €	*COMPANY* €
Profit for the financial year under previous Irish GAAP	1,234,926	2,306,259
1. Unrealised investment gain on listed investments	404,720	404,720
2. Unrealised investment gain on unlisted investments	791,518	791,518
3. Adjustment to net interest on defined benefit pension plans	(1,934,000)	(1,912,000)
4. Taxation impact of pension adjustment	241,000	241,000
Profit for the financial year under FRS 102	738,164	1,831,497

Unrealised investment gains
The transition to FRS 102 has resulted in the restatement of profit and loss for 2014 for the Group and Company. The restatement of listed and unlisted investments to their fair value has resulted in unrealised gains at 1 and 2 above and are described on the preceding page.

Adjustment to net interest on defined benefit pension plans
Under previous Irish GAAP, the interest on the expected return on plan assets was calculated using an expected asset rate. FRS 102 requires that the net interest on the net defined benefit liability is calculated using the liability discount rate for the scheme. As such there was a decrease in profit arising from this adjustment which was offset by a corresponding increase in other comprehensive income.

Tax on profit on ordinary activities
The adjustment to tax in the income statement is due to the adjustment to net interest on the defined benefit pension plans described above. This was offset by a corresponding reduction in taxation in other comprehensive income.

30. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved and authorised for issue the consolidated financial statements in respect of the financial year ended 31 December 2015 on 16 June 2016