

London & Partners Limited

**Directors' report and financial
statements**

Registered number 07493460

31 March 2012

WEDNESDAY



L1JQS5SH

LD3

17/10/2012

#35

COMPANIES HOUSE

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	4
Independent auditor's report to the members of Client Name	5
Consolidated Profit and Loss Account	6
Balance Sheets	7
Consolidated Cash Flow Statement	8
Reconciliations of movements in reserves	9
Notes	10

Directors' report

The directors present their directors' report and financial statements for the period from the date of incorporation on 14 January 2011 to 31 March 2012

Principal activities

London & Partners Limited (the company) is a company limited by guarantee and was established by the Mayor of London as the official promotional organisation for London, attracting and delivering value to business, students and visitors. The company became operational on 1st April 2011 bringing together the remits of the capital's previous promotional agencies Think London, Study London and Visit London. The company is a not-for-profit organisation funded by the Mayor of London and commercial partners. The company's remit is to drive leisure and business visitors to London, bid to secure major events for the capital, unlock the city for new business to set up or expand, and promote the capital's world class universities to international students.

Business review

The company is supported by a grant from the Greater London Authority (GLA) and other income from the private sector. During the period ended 31 March 2011 the company recorded grant income from the GLA of £15.3m and raised £4.3m of additional private sector income (see note 2).

In its first year of operations the company maintained the momentum of the previous agencies as well as finding efficiencies and more effective ways of working. Overall costs were £3.8m less than the previous agencies, a figure which included £2m of efficiency savings. The results for the period show a surplus of £1.6m. This reflects a surplus on total income including private sector sources. This was the company's first year of operations accompanied at first by some uncertainty during the transition and would be followed by an unusually significant year in London in 2012/13, including the Olympic and Paralympic Games. It was therefore considered prudent to retain some of the income generated in 2011/12 for use in furthering the company's objectives in the future and to maintain the ability to respond quickly to events and adapt activities to optimise the company's use of resources to promote the capital.

The directors have considered the company's position and resolved to designate a certain amount per year to a reserve created for the purpose of winding down activities if funding is not continued (see note 14). This reserve and the potential costs involved will be re-assessed every year. The remainder of any surplus from operations in any given year will be retained in reserves for use in the furtherance of the company's principal activities.

Performance and risk

The company performed strongly against all its key performance indicators in the first year, meeting or exceeding all targets, which were all increases on the previous year's targets of the former agencies. 205 foreign direct projects were landed in London creating 4,539 jobs against a target of 192 projects and 3,549 jobs respectively. Conventions and business meetings worth £127m gross economic value were attracted, up 30% on the previous year. A number of major sporting events were attracted, including the 2015 European Hockey Championships and 2017 IAAF World Athletics Championships, leisure tourism activity supported a record year for tourism spend, with significant increases in web traffic to visitlondon.com, and over 7,500 international students were referred to London's universities – more than ever before. The company also achieved its target of attracting £3.5million of commercial revenue. A new performance management system has been put in place for 2012-13 focused on capturing the incremental benefit of London & Partners activity using GVA as the unifying measure.

Directors' report *(continued)*

Performance and risk *(continued)*

The company has put in place a system to identify and manage key risks to the business. These are reviewed by the Audit and Finance Committee with significant changes to risks flagged to the Board. A separate risk register monitors performance and delivery against key performance indicators and milestones with monthly reviews by the Executive Team.

Future prospects/outlook

The company has developed a promotional strategy for London which is underpinned by extensive economic analysis to gain better insights into the activities which will create the most wealth for the London economy and that will give the best return on investment. As a result of this and an in-depth review of global trends and competition, three areas of focus for our promotional activities have been identified which will allow us to capitalise on London's historical and inherent strengths and capture new growth opportunities:

- The world capital of business
- The world's leading centre of talent and creativity, and
- The world's top visitor destination

Priorities for the coming year are to

- Use the Olympic and Paralympic Games to showcase London and build relationships which allow us to significantly up-weight promotion over the next 3 years,
- Build an iconic brand for London and associate it with the city's world class offer,
- Promote London as the world capital of business through an integrated trade, investment and convention bureau strategy,
- Promote London as a global hub for collaborative research, innovation and talent, attracting more private capital and leading international students,
- Attract one million additional visitors by 2015,
- Continue to focus on increasing the use of digital media channels in the company's activities

Financial instruments

The company does not have any financial instruments other than cash and short term debtors and creditors. Cash balances are held with a major UK bank and earns competitive rates of interest. From time to time the company utilises foreign exchange forward contracts for significant payments in foreign currencies. There were no forward contracts open at the period end.

Dividends

The Directors do not propose the payment of a dividend.

Directors' report (continued)

Directors

The directors who held office during the period were as follows

R Finding (appointed 14 January 2011, resigned 14 January 2011)
D Lopez (appointed 14 January 2011, resigned 1 June 2011)
K Murphy (appointed 31 January 2011)
P Thompson (appointed 31 January 2011)
G Hearn (appointed 31 January 2011, resigned 18 July 2011)
Dame J Mayhew Jonas (appointed 31 January 2011)
JL Bravard (appointed 31 January 2011)
A Cooke (appointed 18 May 2011)
S Fraser (appointed 17 August 2011, resigned 2 July 2012)
A Bishop (appointed 5 October 2011)
G Parsons (appointed 5 October 2011)
G Innes (appointed 8 August 2011)
H Riva (appointed 5 December 2011)
G Manchester (appointed 5 December 2011)
L Yueh (appointed 14 February 2012)

Board Observers

N Carrington
K Malthouse

Political and charitable contributions

Neither the Company nor any of its subsidiaries made any political or charitable donations or incurred any political expenditure during the year


Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Grant Thornton will therefore continue in office

By order of the board


Andrew Cooke
Director

London & Partners Limited
6th floor
2 More London Riverside
London SE1 2RR

12th October 2012

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

Independent auditor's report to the members of London & Partners Limited

We have audited the financial statements of London & Partners Limited for the period ended 31 March 2012 which comprise the group profit and loss account, the group and parent company balance sheets, the group cash flow statement, the group and parent company reconciliation of movements in reserves and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2012 and of the group's surplus for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP

David Barnes FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants
LONDON

12 October 2012

Consolidated Profit and Loss Account

For the 14 5 month period ended 31 March 2012

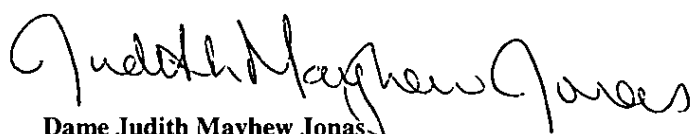
	<i>Note</i>	2012 £000
Income		
Grants	2	15,679
Commercial contributions and donations in kind	2	3,544
Other income	2	822
Total income		20,045
 Expenditure		
Programme costs		9,246
Staff costs	5	6,755
Other operating costs		1,701
Transition costs		629
		18,331
 Operating surplus	3	1,714
Interest receivable and similar income	6	10
Surplus on ordinary activities before taxation		1,724
Tax on surplus on ordinary activities	7	(80)
Surplus on ordinary activities after taxation		1,644

All items reported are continuing operations. There are no movements in reserves other than the surplus for the period therefore no statement of total recognised gains and losses is presented.

Balance Sheets
at 31 March 2012

		Group	Company
	<i>Note</i>	2012 £000	2012 £000
Fixed assets			
Intangible assets	8	288	288
Tangible assets	9	227	227
		<hr/> 515	<hr/> 515
Current assets			
Debtors	11	1,103	1,110
Cash at bank and in hand		3,162	3,025
		<hr/> 4,265	<hr/> 4,135
Creditors amounts falling due within one year	12	(2,811)	(2,868)
		<hr/> 1,454	<hr/> 1,267
Net current assets			
		<hr/> 1,969	<hr/> 1,782
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	13	(325)	(325)
		<hr/> 1,644	<hr/> 1,457
Net assets			
		<hr/> 1,644	<hr/> 1,457
Reserves			
Profit and loss account	14, 15	1,149	962
Other reserve	14, 15	495	495
		<hr/> 1,644	<hr/> 1,457
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the board of directors on 12 October 2012 and were signed on its behalf by


Dame Judith Mayhew Jonas
Chairman

Consolidated Cash Flow Statement
for the 14.5 month period ended 31 March 2012

	<i>Note</i>	2012 £000
Cash flow statement		
Cash flow from operating activities	<i>16</i>	3,684
Returns on investments and servicing of finance	<i>17</i>	10
Capital expenditure and financial investment	<i>17</i>	(660)
Acquisitions and disposals	<i>17</i>	128
		<hr/>
Increase in cash in the period		3,162
		<hr/>
Reconciliation of net cash flow to movement in net debt		
	<i>18</i>	
Increase in cash in the period		3,162
Change in net debt resulting from cash flows		3,162
		<hr/>
Movement in net debt in the period		3,162
Net debt at the start of the period		.
		<hr/>
Net debt at the end of the period		3,162
		<hr/>

Reconciliations of movements in reserves
for the 14 5 month period ended 31 March 2012

	Group 2012 £000	Company 2012 £000
Surplus for the financial period	1,644	1,457
Net addition to reserves	1,644	1,457
Opening reserves	-	-
Closing reserves	1,644	1,457

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

Basis of preparation

The Company's objectives are to promote London to visitors, businesses and students and as such it does not seek to make a profit. The directors have prepared an Income and Expenditure Account to show the results for the year which in their opinion reflects the nature of the Company's activities and allows the financial statements to present a true and fair view.

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules except for the valuation of corporate donations in kind.

Going concern

The accounts have been prepared on the going concern basis. The directors have assessed the company's financial position and the forecast for the next 12 months and consider that the current grant funding arrangements, which will be due for renewal on 31 March 2015, and the group's forecast other income are sufficient to ensure that the company can continue to operate as a going concern and to meet its liabilities as they fall due for the foreseeable future. While there is no guarantee that grant funding will continue, at the date of approval of these financial statements, the directors have no reason to believe that it will not.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2012. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own income and expenditure account.

Grants received on acquisition

Grants received on acquisition have been accounted for as follows:

- Study London grants received from London Higher must be spent on specific Higher Education activities. The income received has been recognised in the period that the expense has been incurred and the remainder as deferred income to be released as future such expenses are incurred.
- Think London grants received from London First have been recognised as income in the period of receipt.

Intangible fixed assets and amortisation

Intangible fixed assets purchased separately from a business are capitalised at their cost.

Intangible assets acquired as part of an acquisition are capitalised at their fair value where this can be measured reliably.

Intangible assets purchased by the Company are amortised to nil by equal annual instalments over their useful economic lives, generally the remaining period of the London & Partners Limited GLA grant agreement.

Investments

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less amounts written off.

Notes (continued)

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

IT equipment	-	3 years
--------------	---	---------

Impairment of fixed assets

The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income and expenditure account.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the income and expenditure account.

The assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Income and expenditure accounts of such undertakings are consolidated at the average rates of exchange during the year. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to the income and expenditure account over the estimated useful economic lives of the assets to which they relate.

Revenue grants are recognised in the period with the relevant cost.

Leases

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

Post retirement benefits

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Research and development expenditure

Expenditure on research and development, including website development, is written off to the income and expenditure account in the year in which it is incurred.

Notes (continued)

1 Accounting policies (continued)

Taxation

Grant income is not considered to be subject to tax. Certain of the group's sources of income will, however, be taxed under normal principles including bank interest, profits from rental income and certain activities which are considered to be a trade. For these activities, corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. The company is seeking agreement with HMRC of this proposed approach.

Deferred tax is recognised, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

London & Partners Limited is subject to partial restriction on the deductibility of VAT on inputs. Expenses and fixed assets are recorded at cost inclusive of VAT and recoverable VAT is deducted from other operating charges.

Income

Grant income is recognised when receivable in the period to which it relates.

Commercial income from membership fees and other sources is recognised when receivable in the period to which it relates.

Donations in kind are valued by the directors at a reasonable estimate of their fair value and are credited to income when received.

Expenditure

Expenditure is accounted for on an accruals basis and includes in kind donations of staff and services.

Cash

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand.

Related party transactions

The company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

Notes (continued)

2 Income

The following income was recognised in 2011/12 in accordance with the accounting policies noted above

	2012 £000
Grant income	
Core GLA grant	14,712
Other GLA grants	560
	<hr/>
Total GLA grants	15,272
Other grants	407
	<hr/>
Total grant income	15,679
	<hr/>
Commercial contributions	
Ring fenced funding from	
Corporate partners	1,074
Universities	31
Partnership fees	1,313
Donations in kind	1,126
	<hr/>
Total commercial contributions	3,544
	<hr/>
Other income	
Digital & advertising	736
Rental income	49
Other income	37
	<hr/>
Total other income	822
	<hr/>
	 2012 £000
GLA grant	
Received during the period	15,831
Grant carried forward to 2012/13 for specific purposes	(559)
	<hr/>
Recognised as income for the period	15,272
	<hr/>

Notes (continued)

3 Notes to the profit and loss account

14.5 months to 31
March 2012

£000

The surplus on ordinary activities before taxation is stated after charging/(crediting)

Depreciation and other amounts written off tangible and intangible fixed assets	
Owned	20
Loss/(gain) on foreign currency translation	16
Hire of plant and machinery - operating leases	12
Hire of other assets - operating leases	792
Transition costs (including depreciation and amortisation of £125,000)	629
	<hr/>

Transition costs include redundancy costs paid to previous employees, legal and valuation fees and depreciation and amortisation of assets purchased from previous agencies

Auditors' remuneration

14.5 months to 31
March 2012
£000

Audit of these financial statements	23
-------------------------------------	----

Disclosures below based on amounts receivable in respect of services to the company and its subsidiaries

Amounts receivable by auditors and their associates in respect of	
Audit of financial statements of subsidiaries pursuant to legislation	5
Audit of statement of grant expenditure	4
Other services relating to taxation	15
	<hr/>

Amounts paid to the Company's auditor and their associates in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis

4 Remuneration of directors

14.5 months to 31
March 2012
£000

Directors' emoluments	254
Amounts paid or payable to third parties in respect of directors' services	42
	<hr/>

The aggregate of emoluments of the highest paid director was £133,968 and Company pension contributions of £19,632 were made to a defined contribution scheme on his behalf

Number of
directors
2012

Retirement benefits are accruing to the following number of directors under

Defined contribution schemes	2
	<hr/>

Notes (continued)

5 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows

	Number of employees Group 2012
Leisure & Business Tourism, Higher Education and Foreign Direct Investment	68
Marketing, Digital & Commercial & Strategy	39
Management & Administration	21
	<hr/> 128 <hr/>

The aggregate people costs incurred by the company were as follows

	£000
Wages and salaries	5,028
Social security costs	514
Pension costs	239
Payroll costs of staff numbers analysed above	<hr/> 5,781
Seconded staff	672
Temporary staff and contractors	302
	<hr/>
Staff costs as presented in the income & expenditure account	6,755
Temporary staff and contractors presented within programme costs	50
Redundancy costs included in transition costs	210
	<hr/>
Total people cost	7,016 <hr/>

6 Other interest receivable and similar income

	14 5 months to 31 march 2012 £000
Bank interest receivable	10
	<hr/> 10 <hr/>

Notes (continued)

7 Taxation

Analysis of charge in period

	14 5 months to 31 March 2012 £000
<i>UK corporation tax</i>	
Current tax on income for the period	76
	<hr/>
Total current tax	76
	<hr/>
<i>Deferred tax</i>	
Origination/reversal of timing differences	4
	<hr/>
Total deferred tax	4
	<hr/>
Tax on profit on ordinary activities	80
	<hr/> <hr/>

Notes *(continued)*

7 Taxation *(continued)*

Factors affecting the tax charge for the current period

The current tax charge for the period is lower than the standard rate of corporation tax in the UK of 26%. The differences are explained below

	14 5 months to 31 March 2012 £000
<i>Current tax reconciliation</i>	
Surplus on ordinary activities before tax	1,724
	<hr/>
Current tax at 26 %	448
<i>Effects of</i>	
Income not taxable	(374)
Expenses not deductible for tax purposes	17
Capital allowances for period in excess of depreciation	(15)
	<hr/>
Total current tax charge (see above)	76
	<hr/>

Factors that may affect future current and total tax charges

At the balance sheet date the prevailing corporation tax rate that has been substantively enacted is 24% therefore deferred tax has been calculated at that rate

The directors have assessed the nature of the company's activities and various sources of income. Based on all of the information available to them and after consideration of professional advice received, the directors have determined the basis on which they believe the company's tax charge should be calculated. This applies a tax liability to the results of commercial activities based on a reasonable and fair cost allocation. The company is currently in the process of agreeing this approach with HMRC.

Notes (continued)

8 Intangible fixed assets

Group and Company	Websites, domain names & other intangible assets £000	Total £000
<i>Cost</i>		
At beginning of period	-	-
Additions	360	360
	<hr/>	<hr/>
At end of period	360	360
	<hr/>	<hr/>
<i>Amortisation</i>		
At beginning of period	-	-
Charged in period	72	72
	<hr/>	<hr/>
At end of period	72	72
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 March 2012	288	288
	<hr/>	<hr/>
At 14 January 2011	-	-
	<hr/>	<hr/>

9 Tangible fixed assets

Group and Company	IT equipment £000	Total £000
<i>Cost</i>		
At beginning of period	-	-
Additions	300	300
	<hr/>	<hr/>
At end of period	300	300
	<hr/>	<hr/>
<i>Depreciation</i>		
At beginning of period	-	-
Charge for the period	73	73
	<hr/>	<hr/>
At end of period	73	73
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 March 2012	227	227
	<hr/>	<hr/>
At 14 January 2011	-	-
	<hr/>	<hr/>

Notes (continued)

10 Fixed asset investments

The undertakings in which the Group's and Company's interest at the period end is more than 20% are as follows

	Country of incorporation	Principal activity	Group	Class and percentage of shares held Company
<i>Subsidiary undertakings</i>				
London & Partners International	UK	Holding company	100%	100%
London & Partners (US) Limited*	USA	Inward investment	100%	-
London Convention Bureau Limited	UK	Dormant	100%	100%
London Tourist Board Limited	UK	Dormant	100%	100%
London Tourism Limited	UK	Dormant	100%	100%
Tourism London Limited	UK	Dormant	100%	100%
Dot London Domains Limited	UK	Registry Operator	100%	100%

*Interest held indirectly via London & Partners International

11 Debtors

	Group 2012 £000	Company 2012 £000
Trade debtors	289	289
Amounts owed by group undertakings	-	8
Other debtors	23	23
Prepayments and accrued income	791	790
	<u>1,103</u>	<u>1,110</u>

12 Creditors: amounts falling due within one year

	Group 2012 £000	Company 2012 £000
Trade creditors	818	818
Amounts owed to group undertakings	-	97
Taxation and social security	346	346
Other creditors	44	44
Accruals and deferred income	1,603	1,563
	<u>2,811</u>	<u>2,868</u>

Notes (continued)

13 Creditors: amounts falling due after more than one year

	Group 2012 £000	Company 2012 £000
Accruals and deferred income	325	325
	<u>325</u>	<u>325</u>

14 Reserves

Group	Other reserve £000	Profit and loss account £000	Total £000
At beginning of period	-	-	-
Surplus for the period	-	1,644	1,644
Transfers	495	(495)	-
At end of period	<u>495</u>	<u>1,149</u>	<u>1,644</u>

The other reserve represents amounts designated for use to perform an orderly wind down of the company's activities if grant funding is no longer available. The total amount required will be assessed each year and the reserve increased over the remaining period of the current grant arrangements.

Company	Other reserve £000	Profit and loss account £000	Total £000
At beginning of period	-	-	-
Surplus for the period	-	1,457	1,457
Transfers	495	(495)	-
At end of period	<u>495</u>	<u>962</u>	<u>1,457</u>

Notes (continued)

15 Pension scheme

Defined contribution pension schemes

The Group operates a defined contribution pension scheme for UK employees and others in each overseas branch or subsidiary as described below. The pension cost charge for the period represents contributions payable by the Group to the schemes and amounted to £244,000.

At 31 March 2012 contributions amounting to £33,922 were payable to the UK scheme and are included in creditors.

For overseas employees in the Indian branch, employee and employer contributions are paid into the Provident Fund held by the Commissioner of Mumbai and can be withdrawn by the employee as a lump sum on leaving service. For overseas employees in the Chinese branch the company contributes the statutory amount for each employee into the state administered fund. The Group contributes to a 401k scheme for US employees.

16 Reconciliation of operating surplus to operating cash flows

	2012
	£000
Operating surplus	1,714
Credit on acquisition of subsidiary (note 19)	(187)
Depreciation, amortisation and impairment charges	145
Movement on provisions	24
Increase in debtors	(1,004)
Increase in creditors	2,992
	<hr/>
Net cash inflow from operating activities	3,684
	<hr/>

17 Analysis of cash flows

	<i>Notes</i>	2012
		£000
Returns on investment and servicing of finance		
Interest received	6	10
		<hr/>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	9	300
Purchase of intangible fixed assets	8	360
		<hr/>
Acquisitions and disposals		
Net cash acquired with subsidiary	19	128
		<hr/>

Notes (continued)

18 Analysis of net debt

	At beginning of period £000	Cash flow £000	At end of period £000
Cash in hand and at bank	-	3,162	3 162
Total	-	3,162	3,162

19 Acquisition of subsidiary undertaking

	£000
Net assets acquired	
Debtors	99
Cash at bank and in hand	128
Creditors	(40)
	<u>187</u>

The subsidiary undertaking (London & Partners International) was acquired for no consideration on 1 April 2011 under the terms of a grouping agreement with London First which was the previous member. London & Partners became the member, took on the previous activities of the subsidiary and acquired the net assets noted above as a grant in order to continue those activities. This amount has been accounted for as a credit to the consolidated profit and loss account.

20 Related party disclosures

The Company is controlled by its members, who are the Mayor of London, ABTA, The Society of London Theatre, the London Chamber of Commerce & Industry and the British Hospitality Association. There is no ultimate controlling party.

Notes (continued)

21 Commitments

At 31 March 2012, the company was committed to the following annual payments in respect of operating leases

	Land & buildings £000	Other £000
Leases that expire in.		
< 1 year	44	1
2-5 years	6	3
> 5 years	737	8
	<hr/>	<hr/>
Total	812	12
	<hr/> <hr/>	<hr/> <hr/>