
London & Partners Limited

**Directors' report and financial
statements**

Registered number 07493460

31 March 2014

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Strategic report

Review of the company's business

Principal activities

London & Partners Limited ("the company"), a company limited by guarantee, is the Mayor of London's official promotional organisation, attracting overseas companies, events, students and visitors to the capital, creating additional jobs and economic growth for the city. The company is a not-for-profit organisation funded by the Mayor of London and commercial partners. The company is headquartered in London with offices in Beijing, Shanghai, Mumbai, New York and San Francisco and representatives in several other countries.

Business review and financial position

The company is supported by a grant from the Greater London Authority (GLA) and other income from the private sector. During the year ended 31 March 2014 the company recorded grant income from the GLA of £11.5m (2013: £13.5m) and raised £6.4m (2013: £6.8m) of additional income (see note 2).

During 2013/14 the company continued to drive efficiency savings achieving 11% of operational cost savings against a target of 7%.

The loss for the year reported on page 7 arises from the planned use of surplus reserves brought forward in the company and the pre-trading costs of the company's subsidiary, Dot London Domains Limited.

A reserve created for the purpose of winding down activities if funding is not continued is held on the company's behalf by the GLA and the potential costs involved are re-assessed every year. Any surplus from operations will be retained in reserves for use in the furtherance of the company's principal objectives.

Performance review

2013/14 was an extremely productive year for London & Partners building on the opportunities created by hosting the Olympic and Paralympic Games resulting in increased economic benefit for the city and strengthening its reputation internationally.

Key performance indicators for the company include the Gross Value Added (GVA) generated by all activities, number of jobs created and supported in London through the company's activities, conventions, congresses and major events attracted to London through the company's activities and Advertising Value Equivalent (AVE) generated by the company's PR and communications.

The company exceeded all of its economic targets for 2013/14 delivering £280m of additional GVA for London's economy – up from £250 million in 2012/13, contributing to the creation of 7,632 jobs, up from 6,500 the previous year.

The company's work on leisure tourism contributed £118m of GVA with London being visited by a record 16.8 million tourists in 2013, over a million more than in any previous calendar year and up by 9% on 2012. A compelling new leisure tourism campaign was launched, The London Story, showcasing the favourite locations and experiences of a range of Londoners and celebrities.

A new website for the Convention Bureau was launched and the business tourism team attracted five citywide congresses, each with more than 20,000 delegates, as well as the return of AdWeek Europe with 14,000 delegates.

Following three years of planning and development, in conjunction with Transport for London and the GLA, the inaugural Ride London event took place in August 2013. It was the largest inaugural mass-participation event in the world with over 66,000 participants and was televised live on BBC1. In addition the company helped secure a further six high profile sporting events to be held in venues across the Queen Elizabeth Olympic Park including the 2016 Track Cycling World Championships and 2016 European Swimming Championships.

The company's trade and investment team attracted inward investment worth £100 million of GVA by assisting 264 companies to expand or set up in London, creating 4,407 new jobs. These companies included a total of 24 S&P 500 companies (or equivalent), such as Johnson & Johnson and Salesforce.com. In addition the team assisted in

Strategic report (continued)

Performance review (continued)

securing the commitment of a £1bn investment in the Royal Albert Docks by the Chinese developer ABP and an £800m investment in Battersea Nine Elms by Dalian Wanda as well as co-ordinating a highly successful visit by the Mayor to China resulting in a significant number of investment leads and positive media coverage.

The Mayor launched london.cn during his trip to China, targeted primarily at attracting prospective Chinese students to London. Further work was undertaken to optimise the company's main student website studylondon.ac.uk resulting in a 20% increase in registrations on the previous year.

The company also adopted a more proactive approach to generating more impactful coverage in the media, resulting in five front pages of the Evening Standard, and significant international coverage to assist in building the city's reputation. In total £51m of advertising value equivalent was generated from media coverage throughout the year.

Significant progress was made during the year in preparations for the launch of the new top level domain, Dot London, which went on sale in April 2014. London & Partners has set up a subsidiary, Dot London Domains Limited, to operate the new registry which has procured a Registry Services Provider, Minds + Machines, which is working in partnership to set up and operate the registry. Dot London will operate on a commercial basis and any surplus profits will be re-invested for the benefit of London.

A more detailed review of the year's activities can be found at www.londonandpartners.com/about-us/reviewoftheyear.

Principal risks and uncertainties

The company continues to identify and manage key risks to the business. A risk register which reviews key risks impacting on delivery is reviewed monthly by the Executive Team. These risks are reviewed by the Audit and Finance Committee with significant changes to risks flagged to the Board. The principal risks and uncertainties that the company faces are considered to be:

- The challenges of managing a broad range of stakeholders and aligning strategy to their changing priorities
- The impact of external events on London's reputation
- Securing ongoing funding and resources
- Uncertainty of new businesses such as Dot London

Future prospects/outlook

During 2013/14, following extensive consultation with stakeholders the company updated its corporate strategy for the next three years. The strategy includes a more focused and prioritised set of objectives as well as a new compelling mission statement for the organisation – "To tell London's story brilliantly". The company's corporate objectives for 2014-15 are to:

- Deliver additional jobs and economic value for London, by convincing visitors, students and businesses to come to London
- Strengthen London's reputation as a cultural centre and a leading destination for life sciences and high technologies
- Secure support and active engagement from institutions, businesses and high profile individuals with an interest in London
- Establish London & Partners' reputation as a world leading promotional organisation

London & Partners' corporate strategy for 2014-17 and business plan for 2014-15 can be downloaded at www.londonandpartners.com/about-us/business-strategy.

Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2014.

Directors

The directors who held office during the year and since the end of the year were as follows:

Dame Judith Mayhew Jonas, Chairman (resigned 22 July 2013)
Kit Malthouse, Chairman (appointed 22 July 2013)
Gordon Innes, Chief Executive
Alan Bishop
Mark Boleat
Jean-Louis Bravard
Andrew Cooke
Professor Sir Robert Lechler (appointed 13 February 2014)
Glen Manchester (resigned 31 December 2013)
Kevin Murphy
Guy Parsons
Hilary Riva
Mike Thompson (resigned 5 October 2013)
Derek White (appointed 13 February 2014)

Board Observers

N Carrington

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 earn 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 year end. During the previous year the company acquired warrants to purchase shares in TLDH Ltd, a service delivery provider of its subsidiary Dot London Domains Limited.

Dividends

No distributions to members are proposed.

Going concern

The accounts have been prepared on the going concern basis based on the directors' assessment of the company's financial position and the forecast for the next 12 months (see note 1). At the date of approval of these financial statements, the directors have no reason to believe that grant funding will not continue.

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.

Directors' report *(continued)*

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

28 July 2014

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.

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.

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

We have audited the financial statements of London & Partners Limited for the year ended 31 March 2014 which comprise the group income and expenditure account, the group and parent company balance sheets, the group cash flow statement, the group and parent company reconciliations 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 5, 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 2014 and of the group's deficit for the year 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.

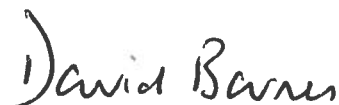
Opinion on other matter prescribed by the Companies Act 2006

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.



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

31st July 2014

Consolidated Income and Expenditure Account
 For the year ended 31 March 2014

	<i>Note</i>	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Income			
Grants	2	11,481	13,629
Commercial contributions and donations in kind	2	5,172	5,514
Other income	2	1,175	1,260
		<hr/>	<hr/>
Total income		17,828	20,403
		<hr/>	<hr/>
Expenditure			
Programme costs		9,273	10,325
Staff costs	5	7,958	7,326
Other operating costs		2,235	2,512
Pre-launch costs		460	233
		<hr/>	<hr/>
		19,926	20,396
		<hr/>	<hr/>
Operating (loss)/surplus	3	(2,098)	7
Interest receivable and similar income	6	10	17
		<hr/>	<hr/>
(Loss)/surplus on ordinary activities before taxation		(2,088)	24
Tax on (loss)/surplus on ordinary activities	7	4	(73)
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(2,084)	(49)
		<hr/> <hr/>	<hr/> <hr/>

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

Balance Sheets
 at 31 March 2014

		Group	Company	Group	Company
	Note	2014 £000	2014 £000	2013 £000	2013 £000
Fixed assets					
Intangible assets	8	66	66	132	132
Tangible assets	9	237	237	208	208
		303	303	340	340
Current assets					
Debtors	11	1,955	2,087	1,763	2,042
Cash at bank and in hand		3,938	2,488	4,977	2,926
		5,893	4,575	6,740	4,968
Creditors: amounts falling due within one year	12	(6,565)	(4,659)	(5,341)	(3,504)
Net current assets/(liabilities)		(672)	(84)	1,399	1,464
Total assets less current liabilities		(369)	219	1,739	1,804
Creditors: amounts falling due after more than one year	13	(120)	(120)	(144)	(144)
Net assets/(liabilities)		(489)	99	1,595	1,660
Reserves					
Profit and loss account	14, 15	(489)	99	1,595	1,660
		(489)	99	1,595	1,660
		(489)	99	1,595	1,660

These financial statements of London & Partners Limited (registered number 07493460) were approved by the board of directors on 28 July 2014 and were signed on its behalf by:

Kit Malthouse
 Chairman

Consolidated Cash Flow Statement

for the year ended 31 March 2014

	Note	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Cash flow statement			
Cash flow from operating activities	16	(990)	317
Returns on investments and servicing of finance	17	10	17
Capital expenditure and financial investment	17	(151)	(264)
Tax paid		(96)	(67)
Advance on revenue received by subsidiary		-	2,000
Cash on deposit for subsidiary – released		188	(188)
		<u>(1,039)</u>	<u>1,815</u>
Reconciliation of net cash flow to movement in net debt			
	18		
Increase in cash in the year			
Change in net debt resulting from cash flows		<u>(1,039)</u>	<u>1,815</u>
Movement in net debt in the year		<u>(1,039)</u>	<u>1,815</u>
Net debt at the start of the year		<u>4,977</u>	<u>3,162</u>
Net debt at the end of the year		<u><u>3,938</u></u>	<u><u>4,977</u></u>

Reconciliations of movements in reserves
for the year ended 31 March 2014

	Group Year ended 31 March 2014 £000	Company Year ended 31 March 2014 £000	Group Year ended March 2013 £000	Company Year ended 31 March 2013 £000
(Deficit)Surplus for the financial period	(2,084)	(1,561)	(49)	203
Net (reduction in)/addition to reserves	(2,084)	(1,561)	(49)	203
Opening reserves	1,595	1,660	1,644	1,457
Closing reserves	(489)	99	1,595	1,660

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. At the date of approval of these financial statements, the directors have no reason to believe that grant funding will not continue.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 March 2014. 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

Intangible fixed assets and amortisation

Intangible fixed assets purchased separately from a business are capitalised at their cost. Internally generated intangible assets and intangible assets owned by the company with no associated cost (such as rights acquired through participation in joint ventures) are not capitalised.

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	-	2-3 years
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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 contributions group personal pension plan. The assets of the plan 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 plan in respect of the accounting period. Unpaid contributions at the balance sheet date are included in accruals and paid into the plan within one month.

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.

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.

Financial instruments

The company does not have any financial instruments other than cash and short term debtors and creditors. 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 year end. During the prior year the company acquired warrants to purchase shares in TLDH Ltd, a service delivery provider of its subsidiary Dot London Domains Limited.

Notes (continued)

2 Income

The following income was recognised in 2013/14 in accordance with the accounting policies noted above.

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Grant income		
Core GLA grant	11,476	13,507
Other GLA grants	-	-
	<hr/>	<hr/>
Total GLA grants	11,476	13,507
Other grants	5	122
	<hr/>	<hr/>
Total grant income	11,481	13,629
	<hr/> <hr/>	<hr/> <hr/>
Commercial contributions		
Ring fenced funding from		
Corporate partners	1,249	1,024
Universities	60	143
Other	5	57
Partnership fees	1,670	1,765
Donations in kind	2,188	2,525
	<hr/>	<hr/>
Total commercial contributions	5,172	5,514
	<hr/> <hr/>	<hr/> <hr/>
Other income		
Digital & advertising	817	947
Rental income	248	274
Other income	110	39
	<hr/>	<hr/>
Total other income	1,175	1,260
	<hr/> <hr/>	<hr/> <hr/>
		2014
		£000
GLA grant		
Received during the year		11,354
Grant carried forward from 2011/12 for specific purposes		122
		<hr/>
Recognised as income for the year		11,476
		<hr/> <hr/>

Notes (continued)

3 Notes to the income and expenditure account

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
<i>The (loss)/surplus on ordinary activities before taxation is stated after charging/(crediting)</i>		
Depreciation and other amounts written off tangible and intangible fixed assets:		
Owned	188	344
Loss/(gain) on foreign currency translation	15	(3)
Hire of plant and machinery - operating leases	18	15
Hire of other assets - operating leases	837	862
Pre-launch costs	460	233
	_____	_____

Pre-launch costs in both years were incurred by Dot London Domains Limited in preparation for the launch of the new domain name for London in April 2014.

Auditors' remuneration:

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Audit of these financial statements	24	23
<i>Disclosures below based on amounts receivable in respect of services to the company and its subsidiaries</i>		
Amounts receivable by auditors and their associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	6	6
Audit of statement of grant expenditure	5	4
Other services relating to taxation	9	11
	_____	_____

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

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Directors' emoluments	315	331
	_____	_____

The aggregate of emoluments of the highest paid director was £171,360 (2013: £171,360) and company pension contributions of £10,710 (2013: £10,710) were made to a group personal pension plan on his behalf.

	Number of directors 2014	Number of directors 2013
Retirement benefits are accruing to the following number of directors under:		
Group personal pension plan	2	2
	_____	_____

Notes (continued)

5 Staff numbers and costs

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

	Number of employees Group 2014	Number of employees Group 2013
Leisure & Business Tourism, Higher Education and Foreign Direct Investment	75	67
Marketing, Digital & Commercial & Strategy	49	46
Management & Administration	19	21
	143	134
	143	134

All UK staff are employed by London & Partners Limited. Certain employees are seconded to Dot London Domains Limited by London & Partners Limited with a corresponding inter-company charge for the respective cost.

The aggregate people costs incurred by the company were as follows:

	Group 2014 £000	Group 2013 £000
Wages and salaries	6,346	5,936
Social security costs	687	635
Pension costs	463	324
Payroll costs of staff numbers analysed above	7,496	6,895
Seconded staff (seconded to London & Partners by third parties)	263	113
Temporary staff and contractors	199	318
Staff costs as presented in the income & expenditure account	7,958	7,326
Temporary staff and contractors presented within programme costs	80	109
Redundancy and salary costs included in transition costs	-	26
Total people cost	8,038	7,461

6 Other interest receivable and similar income

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Bank interest receivable	10	17
	10	17
	10	17

Notes (continued)

7 Taxation

Analysis of charge in period

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
<i>UK corporation tax</i>		
Current tax on income for the period	32	96
Adjustments to prior year charge	(41)	(9)
	<hr/>	<hr/>
Total current tax	(9)	87
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination/reversal of timing differences	5	(14)
	<hr/>	<hr/>
Total deferred tax	5	(14)
	<hr/>	<hr/>
Tax on profit/(loss) on ordinary activities	(4)	73
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

7 Taxation (continued)

Factors affecting the tax charge for the current period

The current tax charge for the period is higher than the standard rate of corporation tax in the UK of 23% (2013: 24%). The differences are explained below.

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
<i>Current tax reconciliation</i>		
(Loss)/surplus on ordinary activities before tax	(2,088)	24
	(480)	6
Current tax at 23% (2013: 24%)		
<i>Effects of:</i>		
Net (income not taxable)/losses not deducted	387	14
Expenses not deductible for tax purposes	1	13
Losses not utilised – carried forward	120	-
Capital allowances for period (in excess of)/lower than depreciation	4	63
	32	96
Total current tax charge (see above)	32	96

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 21% (2013: 23%) 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.

Notes (continued)

8 Intangible fixed assets

Group and company

	Websites, domain names & other intangible assets £000	Total £000
<i>Cost</i>		
At 1 April 2013 and 31 March 2014	300	300
<i>Amortisation</i>		
At 1 April 2013	168	168
Charge for the year	66	66
At 31 March 2014	234	234
<i>Net book value</i>		
At 31 March 2014	66	66
At 31 March 2013	132	132

9 Tangible fixed assets

Group and company

	IT equipment £000	Total £000
<i>Cost</i>		
At 1 April 2013	529	529
Additions	151	151
At 31 March 2014	680	680
<i>Depreciation</i>		
At 1 April 2013	321	321
Charge for the year	122	122
At 31 March 2014	443	443
<i>Net book value</i>		
At 31 March 2014	237	237
At 31 March 2013	208	208

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 2014 £000	Company 2014 £000	Group 2013 £000	Company 2013 £000
Trade debtors	632	590	753	753
Amounts owed by group undertakings	-	234	-	468
Other debtors	280	236	239	51
Prepayments and accrued income	1,043	1,027	771	770
	<u>1,955</u>	<u>2,087</u>	<u>1,763</u>	<u>2,042</u>

12 Creditors: amounts falling due within one year

	Group 2014 £000	Company 2014 £000	Group 2013 £000	Company 2013 £000
Trade creditors	2,233	2,206	1,277	1,277
Amounts owed to group undertakings	-	138	-	180
Taxation and social security	292	292	394	394
Other creditors	56	56	42	42
Accruals and deferred income	3,984	1,967	3,628	1,611
	<u>6,565</u>	<u>4,659</u>	<u>5,341</u>	<u>3,504</u>

Notes (continued)

13 Creditors: amounts falling due after more than one year

	Group 2014 £000	Company 2014 £000	Group 2013 £000	Company 2013 £000
Accruals and deferred income	120	120	144	144
	<u>120</u>	<u>120</u>	<u>144</u>	<u>144</u>
	<u><u>120</u></u>	<u><u>120</u></u>	<u><u>144</u></u>	<u><u>144</u></u>

14 Reserves

Group	Profit and loss account £000	Total £000
At 1 April 2013	1,595	1,595
Deficit for the year	(2,084)	(2,084)
	<u>(489)</u>	<u>(489)</u>
At 31 March 2014	<u><u>(489)</u></u>	<u><u>(489)</u></u>

The loss for the year arises from the planned use of surplus reserves brought forward in the company and the pre-trading costs of the company's subsidiary, Dot London Domains Limited.

The GLA has agreed to hold a provision on behalf of the company designated specifically for the cost of performing an orderly wind down of the company's activities if grant funding was no longer available and has confirmed this in a letter dated 26 June 2013. The total amount required is assessed each year and the provision adjusted as considered necessary.

Company	Profit and loss account £000	Total £000
At 1 April 2013	1,660	1,660
Deficit for the year	(1,561)	(1,561)
	<u>99</u>	<u>99</u>
At 31 March 2014	<u><u>99</u></u>	<u><u>99</u></u>

Notes (continued)

15 Pension scheme

Group personal pension plan

The group operates a defined contribution group personal pension plan 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 plans and amounted to £462,000 (2013: £324,000).

At 31 March 2014 contributions amounting to £44,835 (2013: £35,468) were payable to the UK plan and are included in creditors. The company has no other liability in respect of the pension scheme.

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

	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Operating (loss)/surplus	(2,084)	7
Depreciation, amortisation and impairment charges	188	344
Movement on provisions	72	24
Increase in debtors	(380)	(377)
Increase in creditors	1,214	319
	<u> </u>	<u> </u>
Net cash (outflow)/inflow from operating activities	(990)	317
	<u> </u>	<u> </u>

17 Analysis of cash flows

	<i>Notes</i>	Year ended 31 March 2014 £000	Year ended 31 March 2013 £000
Returns on investment and servicing of finance			
Interest received	6	10	17
		<u> </u>	<u> </u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets	9	151	264
		<u> </u>	<u> </u>

Notes (continued)

18 Analysis of net debt

	At 1 April 2013 £000	Cash flow £000	At 31 March 2014 £000
Cash in hand and at bank	4,977	(1,039)	3,938
Total	<u>4,977</u>	<u>(1,039)</u>	<u>3,938</u>

19 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. In the opinion of the Directors there is no ultimate controlling party.

20 Commitments

At 31 March 2014, the company was committed to the following annual payments in respect of operating leases:

	2014 Land & buildings £000	2014 Other £000	2013 Land & buildings £000	2013 Other £000
Leases that expire in:				
< 1 year	35	3	32	-
2-5 years	-	8	-	3
> 5 years	762	-	737	8
Total	<u>797</u>	<u>11</u>	<u>769</u>	<u>11</u>

