

The Irish Times Designated Activity Company

Directors' report and consolidated financial statements for the financial year ended 31 December 2016

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
for the financial year ended 31 December 2016

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THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

COMPANY INFORMATION

DIRECTORS	Tom Arnold Brian Caulfield Margaret Elliott Dan Flinter Deirdre Forbes (resigned 31 January 2016) Clare Duignan (appointed 12 July 2016) Rhona Murphy (appointed 12 July 2016) Liam Kavanagh Eoin O'Driscoll (resigned 21 February 2017) Paul O'Neill Terence O'Rourke Kevin O'Sullivan (resigned 6 April 2017) Caitriona Murphy (appointed 21 February 2017) Deirdre Veldon (appointed 26 April 2017)
SECRETARY	Derek Wilson
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 2016

The directors present herewith their annual report and audited consolidated financial statements for the financial year ended 31 December 2016.

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.

The group had a successful year despite a continuation of difficult market conditions for media publishers. In 2016, revenues from advertising reduced by 3.6% and revenues from consumer content reduced by 4.3%. Within this mix however digital revenues grew by 12.1% and now represent 17.5% of total publishing revenues. Our strategy to build direct reader relationships continued and we finished the year with 53,685 subscribers. The Irish Times maintained its share of the daily newspaper sales and advertising markets. Based on TGI research we have grown our total weekly audience for The Irish Times across our print and digital platforms to 1.02m adults.

The operating profit of the group for the year before exceptional items was €1.02m compared to an operating loss of €1.14m in 2015. Group turnover decreased by 1.9% to €82.1m. Distribution and Administrative costs reduced by a combined €3.73m (-15.5%). The net cost of our Citywest contract print facility reduced because of additional volumes in the plant. Reorganisation costs of €1.4m is the key factor in the net exceptional item of €1.6m. The exceptional items are analysed in Note 4 to the financial statements.

The group finished the year with net cash of €9.03m (2015: €9.47m). During the year a further €2.6m was paid as part of the €11m commitment to enhance transfer values. The remaining cash liability to the enhancement is €5.9m. The Irish Times continues to generate strong cash; during 2016 operating profit before depreciation charges and exceptional items amounted to €5.1m (2015: €3.1m).

The Company strategy is continually focused on sustainable profitability with investment in compelling and distinctive journalism from The Irish Times. Organisational changes are continuing to enable the company to adapt to the changing market for news media consumption and to facilitate audience and revenue growth.

PRINCIPAL RISKS AND UNCERTAINTIES

The Irish Times 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. 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.

DIRECTORS' REPORT

for the financial year ended 31 December 2016 (Continued)

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

- 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 2016

The Group statement of comprehensive income for the year ended 31 December 2016 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.

CHANGE OF NAME

The Company re-registered under the Companies Act 2014 as a DAC – Designated Activity Company (limited by shares) on 11th October 2016.

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.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made inquiries of fellow directors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDIT COMMITTEE

The responsibilities of the committee, delegated to it by the Board, include the monitoring of the financial reporting process and effectiveness of the company's systems of internal control and risk management, the monitoring of the statutory audit of the company's statutory financial statements, and review and monitoring of the independence of the statutory auditors and in particular the provision of additional services to the company. The members of the committee during the financial year were Tom Arnold, Margaret Elliott and Terence O'Rourke. Dan Flinter was a member of the committee until December 2016.

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 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.

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 IRISH TIMES DESIGNATED ACTIVITY COMPANY

DIRECTORS' REPORT

for the financial year ended 31 December 2016 (Continued)

REMUNERATION AND NOMINATIONS COMMITTEE (Continued)

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

<i>Director</i>	<i>Position</i>	<i>Months in office</i>	<i>Remuneration</i>	<i>Fees</i>
Tom Arnold	Non-Executive & Chairman of The Irish Times Trust Company Limited by Guarantee	12	(Note 1)	Y
Brian Caulfield	Non-Executive	12	N	Y
Margaret Elliott	Non-Executive & Governor of The Irish Times Trust Company Limited by Guarantee	12	N	Y
Dan Flinter	Non-Executive Chairman	12	(Note 1)	Y
Deirdre Forbes	Non-Executive	1	N	Y
Clare Duignan	Non-Executive	6	N	Y
Rhona Murphy	Non-Executive	6	N	Y
Liam Kavanagh	Managing Director	12	Y	Y
Eoin O'Driscoll	Non-Executive & Governor of The Irish Times Trust Company Limited by Guarantee	12	N	Y
Paul O'Neill	Deputy Editor	12	Y	Y
Terence O'Rourke	Non-Executive	12	N	Y
Kevin O'Sullivan	Editor	12	Y	Y

Note 1 The chairmen of The Irish Times Designated Activity Company and The Irish Times Trust Company Limited by Guarantee each receive an annual salary for their respective positions.

Note 2 Deirdre Forbes resigned as a director on 31 January 2016.

Note 3 Clare Duignan and Rhona Murphy were each appointed as directors on 12 July 2016.

Note 4 Eoin O'Driscoll resigned as a director on 21 February 2017.

The average number of directors who held office during the financial year was 10 (2015:10).

The average number who received executive remuneration was 3 (2015: 3).

Directors' Fees: The basis for the payment of directors' fees in 2016 was as follows:

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

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

The average fee per director in 2016 was €13,453 (2015: €13,423).

DIRECTORS' REPORT

for the financial year ended 31 December 2016 (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	2016 €'000	2015 €'000
Salary		805	779
Performance related pay	(i)	-	-
Benefits-in-kind	(ii)	87	62
		<u> </u>	<u> </u>
Subtotal		892	841
Pension and related emoluments	(iii)	295	264
		<u> </u>	<u> </u>
Total		<u>1,187</u>	<u>1,105</u>

- (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 2016.
- (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.

The annual salaries at 31 December 2016 for the continuing executive director positions and the non-executive chairmen were as follows:

	2016 €'000	2015 €'000
Continuing Executive Directors		
Managing Director	270	270
Editor	240	240
Deputy Editor	196	198
Non-Executive Chairmen		
The Irish Times Designated Activity Company	67	67
The Irish Times Trust Company Limited by Guarantee	31	31
	<u> </u>	<u> </u>
Total	<u>804</u>	<u>806</u>

DIRECTORS' COMPLIANCE STATEMENT

The Directors acknowledge that they are responsible for securing the company's compliance with its Relevant Obligations as defined in the Companies Act 2014 (hereinafter called the Relevant Obligations).

DIRECTORS' REPORT
for the financial year ended 31 December 2016 (Continued)

DIRECTORS' COMPLIANCE STATEMENT (Continued)

The Directors confirm that they have drawn up and adopted a compliance policy statement setting out the company's policies that, in the Directors' opinion, are appropriate to the company in respect of its compliance with its Relevant Obligations. In addition, the Directors confirm the company has put in place appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with its Relevant Obligations including reliance on the advice of persons employed by the company and external legal and tax advisers as considered appropriate from time to time and that they have reviewed the effectiveness of these arrangements or structures during the financial year to which this Report relates.

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
Director



Liam Kavanagh
Director

Date: 22 June 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

We have audited the financial statements of The Irish Times Designated Activity Company for the financial year ended 31 December 2016 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 29. 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 2016 and of the Group's loss 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE IRISH TIMES
DESIGNATED ACTIVITY COMPANY (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

22 June 2017

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

GROUP STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2016

	Note	2016 €	2015 €
Turnover – continuing operations	3	82,056,762	83,607,326
Cost of sales		(60,679,833)	(60,668,746)
		<u>21,376,929</u>	<u>22,938,580</u>
Gross profit			
Distribution costs		(9,665,134)	(11,471,102)
Administrative expenses		(10,689,774)	(12,611,718)
		<u>(20,354,908)</u>	<u>(24,082,820)</u>
Total operating expenses excluding exceptional items			
Group operating profit (loss) before exceptional items		1,022,021	(1,144,240)
Administrative exceptional items	4	(1,555,375)	51,702,698
		<u>(533,354)</u>	<u>50,558,458</u>
Group operating (loss) profit after exceptional items			
Share of results of joint ventures		7,598	4,582
Share of results of associates		(140,329)	(119,190)
		<u>(666,085)</u>	<u>50,443,850</u>
Total operating (loss) profit			
(Loss) gain on financial assets at fair value through profit and loss		(386,596)	1,486,077
Interest receivable and similar income	5	96,599	324,927
Interest payable and similar charges	6	(293,491)	(379,316)
Other finance costs	7	–	(169,000)
		<u>(1,249,573)</u>	<u>51,706,538</u>
(Loss) profit on ordinary activities before taxation	8		
Tax on (loss) profit on ordinary activities	10	–	(8,056,000)
		<u>(1,249,573)</u>	<u>43,650,538</u>
(Loss) profit for the financial year attributable to owners of the parent Company	11		
		<u>(1,249,573)</u>	<u>43,650,538</u>
Other comprehensive income			
Actuarial loss on defined benefit pension schemes	20	–	(11,008,000)
Deferred tax on defined benefit pension schemes		–	1,242,000
Current tax on defined benefit pension schemes	10	–	135,000
		<u>–</u>	<u>(9,631,000)</u>
Total other comprehensive income (loss)			
Total comprehensive (loss) income for the year attributable to owner of the parent Company		<u>(1,249,573)</u>	<u>34,019,538</u>

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

COMPANY STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2016

	<i>Note</i>	<i>2016</i> €	<i>2015</i> €
(Loss) profit for the financial year		(2,137,443)	42,972,232
Actuarial loss on defined benefit pension schemes	20	-	(10,882,000)
Deferred tax on defined benefit pension schemes		-	1,227,000
Current tax on defined benefit pension schemes	10	-	135,000
		<hr/>	<hr/>
Total other comprehensive income (loss)		-	(9,520,000)
		<hr/>	<hr/>
Total comprehensive (loss) income for the financial year		<u>(2,137,443)</u>	<u>33,452,232</u>

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

GROUP STATEMENT OF FINANCIAL POSITION
for the financial year ended 31 December 2016

	Note	2016 €	2015 €
FIXED ASSETS			
Tangible assets	12	24,462,472	28,432,662
Financial assets	13		
Investment in joint venture		100,000	92,402
Investment in associates		-	103,534
Other investments		12,856,616	13,168,167
		<u>37,419,088</u>	<u>41,796,765</u>
CURRENT ASSETS			
Stocks	14	526,035	684,068
Debtors: (amounts falling due within one year)	15	8,360,631	7,719,865
Cash at bank and in hand		9,032,730	9,468,750
		<u>17,919,396</u>	<u>17,872,683</u>
CREDITORS (amounts falling due within one year)	16	(14,940,372)	(15,756,569)
NET CURRENT ASSETS		<u>2,979,024</u>	<u>2,116,114</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>40,398,112</u>	<u>43,912,879</u>
CREDITORS (amounts falling due after more than one year)	17	-	(140,289)
PROVISIONS FOR LIABILITIES	19	(6,459,173)	(8,584,078)
		<u>33,938,939</u>	<u>35,188,512</u>
CAPITAL AND RESERVES			
Share capital	21	625,138	625,138
Capital conversion reserve fund		9,871	9,871
Profit and loss account		33,303,930	34,553,503
Shareholders' funds		<u>33,938,939</u>	<u>35,188,512</u>

The financial statements were approved and authorised for issue by the Board of Directors on 22 June 2017 and signed on its behalf by:


Dan Flinter
Director


Liam Kavanagh
Director

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

COMPANY STATEMENT OF FINANCIAL POSITION
for the financial year ended 31 December 2016

	Note	2016 €	2015 €
FIXED ASSETS			
Tangible assets	12	24,424,130	28,380,709
Financial assets	13	12,856,820	13,168,371
		<u>37,280,950</u>	<u>41,549,080</u>
CURRENT ASSETS			
Stocks	14	514,229	672,261
Debtors: (amounts falling due within one year)	15	17,268,615	17,624,769
Cash at bank and in hand		8,851,652	9,309,217
		<u>26,634,496</u>	<u>27,606,247</u>
CREDITORS (amounts falling due within one year)	16	(24,384,975)	(25,222,219)
NET CURRENT ASSETS		<u>2,249,521</u>	<u>2,384,028</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>39,530,471</u>	<u>43,933,108</u>
CREDITORS (amounts falling due after more than one year)	17	-	(140,289)
PROVISIONS FOR LIABILITIES	19	(6,459,173)	(8,584,078)
		<u>33,071,298</u>	<u>35,208,741</u>
CAPITAL AND RESERVES			
Share capital	21	625,138	625,138
Capital conversion reserve fund		9,871	9,871
Profit and loss account		32,436,289	34,573,732
Shareholders' funds		<u>33,071,298</u>	<u>35,208,741</u>

The financial statements were approved and authorised for issue by the Board of Directors on 22 June 2017 and signed on its behalf by:



Dan Flinter
Director



Liam Kavanagh
Director

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

GROUP STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2016

	<i>Share capital</i> €	<i>Capital conversion reserve fund</i> €	<i>Profit and loss account</i> €	<i>Total</i> €
At 1 January 2015	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
Loss for financial year	-	-	(1,249,573)	(1,249,573)
Other comprehensive income	-	-	-	-
Total comprehensive loss attributable to owners for the year	-	-	(1,249,573)	(1,249,573)
At 31 December 2016	625,138	9,871	33,303,930	33,938,939

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

COMPANY STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2016

	<i>Share capital</i> €	<i>Capital conversion reserve fund</i> €	<i>Profit and loss account</i> €	<i>Total</i> €
At 1 January 2015	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
Loss for financial year	-	-	(2,137,443)	(2,137,443)
Other comprehensive income	-	-	-	-
Total comprehensive loss attributable to owners for the year	-	-	(2,137,443)	(2,137,443)
At 31 December 2016	625,138	9,871	32,436,289	33,071,298

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

GROUP STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2016

	Note	2016 €	2015 €
Net cash inflow (outflow) from operating activities	22	22,439	(1,905,457)
<i>Cash flows from investing activities</i>			
Purchase of tangible fixed assets		(121,282)	(519,379)
Interest received		20,473	79,772
Income from financial fixed assets received		1,460	200,519
Investment in associate		(239,700)	-
		<hr/>	<hr/>
Net cash outflows from investing activities		(316,610)	(239,088)
<i>Cash flows from financing activities</i>			
Capital element of finance lease repaid		(109,711)	(121,870)
Interest paid		(294)	(353)
Interest element of finance lease payment		(9,405)	(16,096)
		<hr/>	<hr/>
Net cash outflows from financing activities		(119,410)	(138,319)
		<hr/>	<hr/>
Net decrease in cash and cash equivalents		(436,020)	(2,282,864)
Cash and cash equivalents at 1 January		9,468,750	11,751,614
		<hr/>	<hr/>
Cash and cash equivalents at 31 December		9,032,730	9,468,750
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016

1. ACCOUNTING POLICIES

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

The Irish Times Designated Activity Company 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 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 Designated Activity Company, 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 Designated Activity Company 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 2016

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 2016 (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.

(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 2016 (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 2016 (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 statement of comprehensive income in other operating expenses.

(p) *Retirement benefits*

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.

(q) *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.

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.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

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

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:

(c) *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 2016 (Continued)

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:

	2016	2015
	€	€
Sale of goods	56,075,424	59,557,288
Rendering of services	25,981,338	24,050,038
	<u>82,056,762</u>	<u>83,607,326</u>

4. ADMINISTRATIVE EXCEPTIONAL ITEMS

	2016	2015
	€	€
Costs of re-organisation	1,352,470	1,863,903
Return of joint venture investment	-	(13,601)
Impairment of associate investment	202,905	-
Gain on wind-up of defined benefit pension schemes	-	(53,553,000)
	<u>1,555,375</u>	<u>(51,702,698)</u>
Total charge (credit)	<u>1,555,375</u>	<u>(51,702,698)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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 2016 was a credit of €169,059 (2015: €232,988). 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 associate investment relates to the write down of the investment in Entertainment Media Networks Limited.

The gain of €53,553,000 in 2015 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 (Note 19)	9,807,000
	<hr/>
Gain on wind up	53,553,000
Deferred tax released on closure (Note 10)	(7,921,000)
	<hr/>
Net gain	45,632,000
	<hr/> <hr/>

5. INTEREST RECEIVABLE AND SIMILAR INCOME	2016	2015
	€	€
Interest receivable	9,656	37,799
Income from financial fixed assets other than shares in Group undertakings	86,943	287,128
	<hr/>	<hr/>
	96,599	324,927
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

6.	INTEREST PAYABLE AND SIMILAR CHARGES	2016	2015
		€	€
	Finance lease interest	9,405	16,096
	Interest on bank loans and overdrafts repayable wholly within five years - not by instalments	292	352
	Unwinding of discount on pension settlement Provision (Note 19)	283,794	362,868
		<u>293,491</u>	<u>379,316</u>
7.	OTHER FINANCE EXPENSE	2016	2015
		€	€
	Interest on net defined benefit retirement benefit obligations	-	(169,000)
		<u>-</u>	<u>(169,000)</u>
8.	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2016	2015
		€	€
	The profit on ordinary activities before taxation is stated after charging:		
	<i>Directors' emoluments</i>		
	Details of directors' remuneration are included in the Directors' Report.		
	Fees	134,531	134,226
		<u>134,531</u>	<u>134,226</u>
	Remuneration:		
	Executive directors	793,637	742,839
	Pension and related emoluments	295,194	264,169
	Chairmens' salaries	97,942	97,942
		<u>1,186,773</u>	<u>1,104,950</u>
	Pension paid to former director	3,598	11,776
	Auditors' remuneration – Audit of Group accounts	82,000	92,000
	– Other assurance services	28,000	31,000
	– Tax advisory services	41,275	30,650
	– Other non-audit services	-	-
	Amortisation of goodwill – associates	-	-
	Depreciation of tangible fixed assets	4,091,475	4,219,095
	Operating lease rentals – plant and machinery	369,612	422,633
	– other	1,569,712	1,640,809
		<u>1,569,712</u>	<u>1,640,809</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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:

	<i>2016</i> <i>Number</i>	<i>2015</i> <i>Number</i>
Printing, publishing and distribution	<u>455</u>	<u>444</u>

The aggregate payroll costs comprise:

	€	€
Wages and salaries	30,400,062	30,252,696
Social welfare costs	3,361,144	3,278,210
Other retirement benefit costs	3,801,563	4,077,823
	<u>37,562,769</u>	<u>37,608,729</u>

Other retirement benefit costs include the cost in respect of the defined contribution 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 €Nil (2015: €663,365). Defined contribution scheme costs included in other retirement benefit costs for the financial year amounted to €3,801,563 (2015: €3,414,458).

COMPANY

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

	<i>2016</i> <i>Number</i>	<i>2015</i> <i>Number</i>
Printing, publishing and distribution	<u>437</u>	<u>430</u>

The aggregate payroll costs comprise:

	€	€
Wages and salaries	29,747,200	29,742,746
Social welfare costs	3,290,441	3,222,311
Other retirement benefit costs	3,776,098	4,056,998
	<u>36,813,739</u>	<u>37,022,055</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

9. STAFF NUMBERS AND COSTS (continued)

Other retirement benefit costs include the costs in respect of the defined contribution 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 €Nil (2015: €661,879). Defined contribution scheme costs included in other retirement benefit costs for the financial year amounted to €3,776,098 (2015: €3,395,119).

10. TAX ON PROFIT ON ORDINARY ACTIVITIES	2016	2015
	€	€
(a) <i>The tax charge is made up as follows:</i>		
<i>Current tax:</i>		
Irish Corporation tax at 12.5%	-	-
	<u> </u>	<u> </u>
Transfer from other comprehensive income	-	135,000
	<u> </u>	<u> </u>
Total current tax	-	135,000
<i>Deferred tax:</i>		
Deferred tax asset released on wind-up of pension schemes	-	7,921,000
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	-	8,056,000
	<u> </u>	<u> </u>
(b) <i>Tax included in other comprehensive income</i>		
Actuarial movement on pension scheme	-	1,242,000
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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:

	2016	2015
	€	€
(Loss) profit on ordinary activities	(1,249,573)	51,706,538
	<hr/>	<hr/>
(Loss) profit on ordinary activities multiplied by the standard tax rate 12.5%	(156,197)	6,463,317
<i>Effect of:</i>		
Expenses not deductible and non-taxable income	32,686	766,342
Impairments disallowed	-	-
Other timing differences including differences between capital allowances and depreciation and movement in provisions	167,419	251,997
Losses arising in the financial year not utilised in current year	(44,852)	570,584
Higher tax rates on investment income	944	3,760
Over provision in respect of previous financial years	-	-
	<hr/>	<hr/>
Total tax charge for the financial year	<u>-</u>	<u>8,056,000</u>

(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 €32.1M (2015: €32.8M) 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 2016 (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:

	2016 €	2015 €
Included in debtors, related to pension liability	-	-
	<u> </u>	<u> </u>
		€
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)
		<u> </u>
At 31 December 2015		-
Amount credited to other comprehensive income		-
		<u> </u>
At 31 December 2016		<u> </u>

Company

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

	2016 €	2015 €
Included in debtors, related to pension liability	-	-
	<u> </u>	<u> </u>
		€
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)
		<u> </u>
At 31 December 2015		-
Amount credited to other comprehensive income		-
		<u> </u>
At 31 December 2016		<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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 loss for the financial year accounted for by the Company dealt with in the Group statement of comprehensive income was €2,137,443 (2015: profit of €42,972,232).

The fees paid to the auditors in respect of the audit of the Company individual accounts in 2016 was €72,000 (2015: €82,000). In addition the auditors received fees of €17,000 and €17,000 in respect of other assurance services, and €41,275 and €30,650 in respect of tax advisory services in 2016 and 2015 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.

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

12. TANGIBLE FIXED ASSETS	Freehold and long leasehold land and premises €	Plant & machinery €	Motor vehicles €	Office equipment €	Total €
<i>GROUP</i>					
<i>Cost</i>					
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
Additions during financial year	-	41,118	-	80,167	121,285
Disposals during financial year	-	-	-	-	-
At 31 December 2016	47,214,478	59,516,234	47,360	6,808,385	113,586,457
<i>Depreciation</i>					
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
Charged during financial year	2,556,240	1,499,637	1,100	34,498	4,091,475
Disposals during financial year	-	-	-	-	-
At 31 December 2016	29,479,821	53,020,319	43,143	6,580,702	89,123,985
<i>Net book value at</i>					
At 31 December 2016	17,734,657	6,495,915	4,217	227,683	24,462,472
At 31 December 2015	20,290,897	7,954,434	5,317	182,014	28,432,662

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

12. TANGIBLE FIXED ASSETS (Continued)	Freehold and long leasehold land and premises €	Plant & machinery €	Motor vehicles €	Office equipment €	Total €
<i>COMPANY</i>					
Cost					
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
Additions during financial year	-	33,095	-	79,149	112,244
Disposals during financial year	-	-	-	-	-
At 31 December 2016	47,210,107	59,332,727	47,360	1,599,360	108,189,554
<i>Depreciation</i>					
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
Charged during financial year	2,555,393	1,490,475	1,100	21,855	4,068,823
Disposals during financial year	-	-	-	-	-
At 31 December 2016	29,476,509	52,840,026	43,144	1,405,745	83,765,424
<i>Net book value at</i>					
At 31 December 2016	17,733,598	6,492,701	4,216	193,615	24,424,130
At 31 December 2015	20,288,991	7,950,081	5,316	136,321	28,380,709

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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 (2015: €602,961). The depreciation charge in respect of capitalised leased assets for the financial year ended 31 December 2016 amounted to €91,568 (2015: €112,091) and accumulated depreciation was €490,871 (2015: €399,303). The carrying value of the leased assets at 31 December 2016 is €112,090 (2015: €203,658).

Capitalised leased assets – Company

Included in the cost of plant and machinery is an amount of capitalised leased assets of €560,454 (2015: €560,454). The depreciation charge in respect of capitalised leased assets for the financial year ended 31 December 2016 amounted to €91,568 (2015: €112,091) and accumulated depreciation was €448,364 (2015: €356,796). The carrying value of the leased assets at 31 December 2016 is €112,090 (2015: €203,658).

13. FINANCIAL FIXED ASSETS

	<i>Group</i>		<i>Company</i>	
	2016	2015	2016	2015
	€	€	€	€
Investment in subsidiary undertakings (a)	-	-	204	204
Investment in joint venture undertakings (b)	100,000	92,402	-	-
Investment in associates (c)	-	103,534	-	-
Other investments (d)	12,856,616	13,168,167	12,856,616	13,168,167
	<u>12,956,616</u>	<u>13,364,103</u>	<u>12,856,820</u>	<u>13,168,371</u>

(a) *Investment in subsidiary undertakings - Company*

	<i>Shares at cost</i>	<i>Total</i>
	€	€
At beginning and end of financial year	<u>204</u>	<u>204</u>

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 2016 (Continued)

13. FINANCIAL FIXED ASSETS (Continued)

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

Subsidiary undertakings at 31 December 2016:

<i>Name</i>	<i>Registered office</i>	<i>Proportion held by:</i>		<i>Nature of business</i>
		<i>Company</i>	<i>subsidiary</i>	
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*

	€
<i>GROUP</i>	
Cost	
At 31 December 2014	87,820
Share of profits during financial year	4,582
	<hr/>
At 31 December 2015	92,402
Share of profits during financial year	7,598
	<hr/>
At 31 December 2016	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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 Designated Activity Company'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 2016:

<i>Name</i>	<i>Registered office</i>	<i>Proportion held by:</i>		<i>Nature of subsidiary business</i>
		<i>Company</i>	<i>subsidiary</i>	
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*

	€
<i>GROUP</i>	
Cost	
At 31 December 2014	222,724
Share of losses during financial year	(119,190)
	<hr/>
At 31 December 2015	103,534
Share of losses during financial year	(140,329)
Loan advanced during the year	88,200
Purchase of additional shareholding	151,500
Impairment of investment	(202,905)
	<hr/>
	–
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

13. FINANCIAL FIXED ASSETS (Continued)

(c) *Investment in associates (continued)*

Investment in associates comprises of The Irish Times Designated Activity Company'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.

<i>Registered Name</i>	<i>office</i>	<i>Proportion held by company</i>	<i>Nature of business</i>
Entertainment Media Networks Limited	26 Great Strand Street Dublin 1	44.10%	Online entertainment publishing

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

<i>(d) Other investments</i>	<i>Group</i>		<i>Company</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>€</i>	<i>€</i>	<i>€</i>	<i>€</i>
Listed investments	4,630,014	4,604,286	4,630,014	4,604,286
Unlisted investments	8,226,602	8,563,881	8,226,602	8,563,881
	<u>12,856,616</u>	<u>13,168,167</u>	<u>12,856,616</u>	<u>13,168,167</u>

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:

<i>Movements:</i>	<i>Group</i>		<i>Company</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>€</i>	<i>€</i>	<i>€</i>	<i>€</i>
At 1 January	13,168,167	11,604,797	13,168,167	11,604,797
Income	75,244	77,293	75,244	77,293
Fair Value Adjustments				
- Listed Investments	25,729	1,367,138	25,729	1,367,138
- Unlisted Investments	(412,524)	118,939	(412,524)	118,939
	<u>12,856,616</u>	<u>13,168,167</u>	<u>12,856,616</u>	<u>13,168,167</u>
At 31 December	<u>12,856,616</u>	<u>13,168,167</u>	<u>12,856,616</u>	<u>13,168,167</u>

THE IRISH TIMES DESIGNATED ACTIVITY COMPANY

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

14. STOCKS	<i>Group</i>		<i>Company</i>	
	2016	2015	2016	2015
	€	€	€	€
Newsprint and materials	526,035	684,068	514,229	672,261

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

15. DEBTORS	<i>Group</i>		<i>Company</i>	
	2016	2015	2016	2015
	€	€	€	€
Amounts falling due within one year:				
Trade debtors	6,190,888	5,886,698	5,216,356	4,657,821
Amounts due from joint ventures	861,337	908,977	861,337	908,977
Amounts due from Group companies	-	-	9,959,085	11,257,739
Amounts due from associate companies	-	-	-	-
Other debtors	54,812	83,338	45,917	54,764
Corporation tax recoverable	33,514	9,052	1,831	1,551
Prepayments and accrued income	1,220,080	831,800	1,184,089	743,917
Deferred tax (Note 10)	-	-	-	-
	<u>8,360,631</u>	<u>7,719,865</u>	<u>17,268,615</u>	<u>17,624,769</u>

16. CREDITORS amounts falling due within one year	<i>Group</i>		<i>Company</i>	
	2016	2015	2016	2015
	€	€	€	€
Trade creditors	3,876,490	3,913,153	3,762,425	3,815,882
Tax and social welfare (a)	2,445,369	3,138,400	2,398,620	3,105,109
Accruals	7,608,589	7,641,014	7,255,146	7,278,365
Deferred income	904,539	973,974	904,538	973,974
Amounts due to joint ventures	4,839	20,060	4,839	20,060
Amounts owed to Group companies	-	-	9,958,861	9,958,861
Finance lease obligations (Note 23 (a))	100,546	69,968	100,546	69,968
	<u>14,940,372</u>	<u>15,756,569</u>	<u>24,384,975</u>	<u>25,222,219</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

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

(a) *Tax and social welfare comprises:*

	<i>Group</i>		<i>Company</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	€	€	€	€
Value added tax	1,357,610	1,969,699	1,327,344	1,947,167
Employment taxes	1,087,759	1,168,701	1,071,276	1,157,942
	<u>2,445,369</u>	<u>3,138,400</u>	<u>2,398,620</u>	<u>3,105,109</u>

17. CREDITORS amounts falling due after more than one year

	<i>Group</i>		<i>Company</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	€	€	€	€
Other creditors	-	-	-	-
Finance lease obligations (Note 23(a))	-	140,289	-	140,289
	<u>-</u>	<u>140,289</u>	<u>-</u>	<u>140,289</u>

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 2016 (Continued)

19. PROVISIONS

GROUP

	<i>Restructuring(i)</i>	<i>Ex-Gratia pension(ii)</i>	<i>Pension settlement provision(iii)</i>	<i>Total</i>
<i>Cost</i>				
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
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	597,112	320,170	7,666,796	8,584,078
Provided during financial year	1,352,470	-	-	1,352,470
Utilised during financial year	(1,018,337)	(138,676)	-	(1,157,013)
Pension scheme payments	-	-	(2,604,156)	(2,604,156)
Unwinding of discount	-	-	283,794	283,794
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	<u>931,245</u>	<u>181,494</u>	<u>5,346,434</u>	<u>6,459,173</u>

COMPANY

	<i>Restructuring(i)</i>	<i>Ex-Gratia pension(ii)</i>	<i>Pension settlement provision(iii)</i>	<i>Total</i>
<i>Cost</i>				
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
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2015	597,112	320,170	7,666,796	8,584,078
Provided during financial year	1,352,470	-	-	1,352,470
Utilised during financial year	(1,018,337)	(138,676)	-	(1,157,013)
Pension scheme payments	-	-	(2,604,156)	(2,604,156)
Unwinding of discount	-	-	283,794	283,794
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	<u>931,245</u>	<u>181,494</u>	<u>5,346,434</u>	<u>6,459,173</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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 Designated Activity Company. The provision includes an amount of €Nil (2015: €128,515), 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 from 2015 and these have been discounted to a present value using a discount rate of 3.7%.

20. RETIREMENT BENEFIT SCHEME

The Company operates a defined contribution pension scheme in conjunction with a subsidiary undertaking. The scheme is funded by company and employee contributions to separately administered pension funds. All contributions were made on time during the year.

Separately the company agreed in 2015 to pay €11m in enhanced transfer value over 7 years to The Irish Times Designated Activity Company Defined Contribution Pension Plan scheme. Payments totalling €2.6M were made during the year in accordance with the agreed schedule and all such payments were made on time.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

The amounts recognised in the statement of comprehensive income in respect of the defined benefit pension plans for the financial year are analysed as follows:

Recognised in Profit:

	2016 €'000	2015 €'000
Current service cost	-	(654)
	<u> </u>	<u> </u>
Recognised in arriving at operating profit	-	(654)
	<u> </u>	<u> </u>
Interest on net defined benefit pension liability	-	(169)
	<u> </u>	<u> </u>
Other finance expense	-	(169)
	<u> </u>	<u> </u>
Total recognised in profit	<u> </u> <u> </u>	<u> </u> <u> </u>

Recognised in Other Comprehensive Income:

	2016 €'000	2015 €'000
Recognised in Other Comprehensive Income	-	(11,008)
	<u> </u>	<u> </u>
Total cost relating to defined benefit schemes recognised in statement of comprehensive income	<u> </u> <u> </u>	<u> </u> <u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

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

	2016 €'000	2015 €'000
At beginning of financial year	-	300,343
Current service cost	-	654
Interest cost	-	1,315
Benefits paid	-	(1,919)
Changes in assumptions	-	19,202
Settlement gain	-	(62,919)
Members contributions	-	340
Premiums paid	-	(45)
Settlements	-	(257,271)
	<u> </u>	<u> </u>
At end of financial year	<u> </u>	<u> </u>

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

	2016 €'000	2015 €'000
At beginning of financial year	-	246,914
Return on plan assets	-	8,194
Interest Income	-	1,146
Employer contribution	-	1,190
Benefits paid	-	(1,919)
Members contributions	-	340
Premiums paid	-	(45)
Settlements	-	(256,530)
	<u> </u>	<u> </u>
At end of financial year	<u> </u>	<u> </u>

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

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

COMPANY

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

	2016 €'000	2015 €'000
At beginning of financial year	-	297,285
Current service cost	-	647
Interest cost	-	1,304
Benefits paid	-	(1,907)
Changes in assumptions	-	18,991
Past service cost amendment	-	-
Settlement gain	-	(62,619)
Members contributions	-	336
Premiums paid	-	(45)
Settlements	-	(253,992)
	<hr/>	<hr/>
At end of financial year	-	-
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

20. RETIREMENT BENEFIT SCHEME (Continued)

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

	2016 €'000	2015 €'000
At beginning of financial year	-	244,476
Return on plan assets	-	8,109
Interest on plan assets	-	1,137
Employer contribution	-	1,886
Benefits paid	-	(1,907)
Members contributions	-	336
Premiums paid	-	(45)
Settlements	-	(253,992)
	<u> </u>	<u> </u>
At end of financial year	<u> </u>	<u> </u>

21. CALLED UP SHARE CAPITAL AND RESERVES

(a) *Called up share capital*

	2016 €	2015 €
<i>GROUP AND COMPANY</i>		
<i>Authorised, allotted, called up and fully paid:</i>		
500,000 ordinary shares of €1.25 each	625,000	625,000
110 preference shares of €1.25 each	138	138
	<u> </u>	<u> </u>
	<u>625,138</u>	<u>625,138</u>

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 2016 (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 renominatisation of share capital subsequent to the changeover to the Euro.

22. RECONCILIATION OF OPERATING (LOSS) PROFIT TO OPERATING CASH FLOW	2016 €	2015 €
Operating (loss) profit	(533,354)	50,558,458
Investment impairment	202,905	-
Depreciation of tangible fixed assets	4,091,475	4,219,093
Decrease (increase) in stocks	158,033	(282,539)
(Increase) decrease in debtors	(636,367)	6,605,620
(Decrease) increase in creditors	(849,719)	482,016
Interest element of defined benefit pension plan settlement	(283,794)	(362,868)
Gain on windup of defined benefit pension plans	-	(53,553,000)
Restructuring	1,352,470	-
Decrease in operating provisions and pension balances	(3,477,375)	(9,518,260)
	<u>24,274</u>	<u>(1,851,480)</u>
<i>Taxation</i>		
Corporation tax refund	1,104	10,739
Corporation tax paid	(2,939)	(64,716)
	<u>22,439</u>	<u>(1,905,457)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (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

	2016	2015
	€	€
Amounts payable:		
Not later than one year	103,296	79,373
Later than one year and not later than 5 years	-	143,042
Less: Finance charges allocated to future periods	(2,750)	(12,158)
	<u>100,546</u>	<u>210,257</u>

Company

	2016	2015
	€	€
Amounts payable:		
Not later than one year	103,296	79,373
Later than one year and not later than 5 years	-	143,042
Less: Finance charges allocated to future periods	(2,750)	(12,158)
	<u>100,546</u>	<u>210,257</u>

In addition the Company has commitments to pay €45,825 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:

<i>GROUP</i>	<i>Land and buildings</i>	<i>Other</i>	<i>Total</i>
	€	€	€
Not later than one year	1,667,500	212,147	1,879,647
Later than one year and not later than 5 years	6,966,147	189,129	7,155,276
Later than five years	14,166,667	-	14,166,667
	<u>22,800,314</u>	<u>401,276</u>	<u>23,201,590</u>

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

23. COMMITMENTS (continued)

<i>COMPANY</i>	<i>Land and buildings</i> €	<i>Other</i> €	<i>Total</i> €
Not later than one year	1,615,000	211,655	1,826,655
Later than one year and not later than 5 years	6,601,667	189,129	6,790,796
Later than five years	14,166,667	-	14,166,667
	<u>22,383,334</u>	<u>400,784</u>	<u>22,784,118</u>

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

<i>GROUP</i>	<i>Land and buildings</i> €	<i>Other</i> €	<i>Total</i> €
Not later than one year	300,150	-	300,150
Later than one year and not later than 5 years	1,522,496	-	1,522,496
	<u>1,822,646</u>	<u>-</u>	<u>1,822,646</u>

<i>COMPANY</i>	<i>Land and buildings</i> €	<i>Other</i> €	<i>Total</i> €
Not later than one year	300,150	-	300,150
Later than one year and not later than 5 years	1,522,496	-	1,522,496
	<u>1,822,646</u>	<u>-</u>	<u>1,822,646</u>

24. CONTINGENT LIABILITIES

There were no material contingent liabilities affecting the Group or the Company at 31 December 2016.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

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 2016 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 Unlimited Company, 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 Company Limited by Guarantee, a Company incorporated in the Republic of Ireland. The ultimate controlling party is The Irish Times Trust Company Limited by Guarantee. The consolidated financial statements of The Irish Times Trust Company Limited by Guarantee are filed in the Companies Registration Office, Parnell House, Parnell Square, Dublin 1.

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 €1,321,304 (2015: €1,239,176).

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.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2016 (Continued)

27. RELATED PARTY TRANSACTIONS (continued)

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:

	<i>Sales To related Party 2016 €</i>	<i>Sales To related Party 2015 €</i>	<i>Purchases From related Party 2016 €</i>	<i>Purchases From related Party 2015 €</i>
Fortunegreen Limited	-	-	-	-
Gloss Publications Limited	39,862	57,602	11,000	13,794
Entertainment Media Networks Limited	-	56,464	-	58,858
Sortridge Limited	1,866,599	2,233,978	28,645	28,475
Digital Media Brokers Limited	210	13,505	-	13,289
	<i>Amounts owed to Related Party 2016 €</i>	<i>Amounts owed to Related Party 2015 €</i>	<i>Amounts owed by Related Party 2016 €</i>	<i>Amounts owed by Related Party 2015 €</i>
Fortunegreen Limited	-	-	-	-
Gloss Publications Limited	-	-	-	13,402
Entertainment Media Networks Limited	-	-	-	-
Sortridge Limited	4,839	6,175	861,337	907,607
Digital Media Brokers Limited	-	13,885	-	1,370

28. SUBSEQUENT EVENTS

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

29. 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 2016 on 22 June 2017.