

**Windpower Monthly News Magazine A/S  
Central Business Registration No  
87647412**

**Annual report 2013/14**

The Annual General Meeting adopted the annual report on 27.02.2015

**Chairman of the General Meeting**

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Name: Philip Goodman

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## **Entity details**

### **Entity**

Windpower Monthly News Magazine A/S  
Ravnsøvej 52  
8240 Risskov

Central Business Registration No: 87647412

Founded: 25.07.1978

Registered in: Aarhus

Financial year: 01.10.2013 - 30.09.2014

### **Board of Directors**

Philip Goodman, Chairman

Brian Freeman

Jeremy Duckworth

### **Executive Board**

Brian Freeman

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

0900 København C

## **Statement by Management on the annual report**

The Board of Directors and the Executive Board have today considered and approved the annual report of Windpower Monthly News Magazine A/S for the financial year 01.10.2013 - 30.09.2014.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2014 and of the results of its operations for the financial year 01.10.2013 - 30.09.2014.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Risskov, 27.02.2015

### **Executive Board**

Brian Freeman

### **Board of Directors**

Philip Goodman  
Chairman

Brian Freeman

Jeremy Duckworth

## **Independent auditor's reports**

### **To the owner of Windpower Monthly News Magazine A/S**

#### **Report on the financial statements**

We have audited the financial statements of Windpower Monthly News Magazine A/S for the financial year 01.10.2013 - 30.09.2014, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### **Management's responsibility for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30.09.2014 and of the results of its operations for the financial year 01.10.2013 - 30.09.2014 in accordance with the Danish Financial Statements Act.

### **Report on other legal and regulatory requirements**

#### **Emphasis of matter regarding other issues**

Management has not prepared minutes of the Board as required by the Danish Companies Act and Furthermore, the Company has kept accounting records for the current and previous years outside Denmark, which is a violation of the Danish Bookkeeping Act. Management may consequently be held liable.

#### **Statement on the management commentary**

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

## **Independent auditor's reports**

Copenhagen, 27.02.2015

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Søren Strandby

State Authorised Public Accountant

## **Management commentary**

### **Primary activities**

The Company publishes a market-leading news magazine on wind power.

### **Development in activities and finances**

The Company's profit of DKK 573 thousand is considered satisfactory.

A positive development in operating profit and a similar performance in the next financial year is expected.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## **Accounting policies**

### **Reporting class**

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Intangible assets and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### **Income statement**

#### **Revenue**

Revenue from sale is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

## Accounting policies

### Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

## Balance sheet

### Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

## **Accounting policies**

### **Income tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

**Income statement for 2013/14**

	<u>Notes</u>	<u>2013/14 DKK</u>	<u>2012/13 DKK</u>
Revenue		12.341.654	13.103.802
Cost of sales		(1.338.705)	(882.090)
Other external expenses		<u>(9.430.705)</u>	<u>(14.279.496)</u>
<b>Gross profit/loss</b>		<b>1.572.244</b>	<b>(2.057.784)</b>
Depreciation, amortisation and impairment losses		<u>(837.500)</u>	<u>(135.000)</u>
<b>Operating profit/loss</b>		<b>734.744</b>	<b>(2.192.784)</b>
<b>Profit/loss from ordinary activities before tax</b>		<b>734.744</b>	<b>(2.192.784)</b>
Tax on profit/loss from ordinary activities	1	<u>(162.228)</u>	<u>486.061</u>
<b>Profit/loss for the year</b>		<b><u>572.516</u></b>	<b><u>(1.706.723)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>572.516</u>	<u>(1.706.723)</u>
		<b><u>572.516</u></b>	<b><u>(1.706.723)</u></b>

**Balance sheet at 30.09.2014**

	<u>Notes</u>	<u>2013/14 DKK</u>	<u>2012/13 DKK</u>
Goodwill		1.120.000	1.957.500
<b>Intangible assets</b>	2	<b><u>1.120.000</u></b>	<b><u>1.957.500</u></b>
Other receivables		15.380	15.380
<b>Fixed asset investments</b>	3	<b><u>15.380</u></b>	<b><u>15.380</u></b>
<b>Fixed assets</b>		<b><u>1.135.380</u></b>	<b><u>1.972.880</u></b>
Trade receivables		3.181.102	1.594.233
Receivables from group enterprises		5.263.521	5.763.865
Deferred tax assets	4	25.101	187.329
Other short-term receivables		298.204	756.375
Income tax receivable		108.000	108.000
Prepayments		62.393	106.650
<b>Receivables</b>		<b><u>8.938.321</u></b>	<b><u>8.516.452</u></b>
<b>Cash</b>		<b><u>218.276</u></b>	<b><u>204.890</u></b>
<b>Current assets</b>		<b><u>9.156.597</u></b>	<b><u>8.721.342</u></b>
<b>Assets</b>		<b><u>10.291.977</u></b>	<b><u>10.694.222</u></b>

**Balance sheet at 30.09.2014**

	<u>Notes</u>	<u>2013/14 DKK</u>	<u>2012/13 DKK</u>
Contributed capital	5	500.000	500.000
Retained earnings		<u>8.301.470</u>	<u>7.728.954</u>
<b>Equity</b>		<b><u>8.801.470</u></b>	<b><u>8.228.954</u></b>
Prepayments received from customers		1.138.571	1.113.086
Income tax payable		0	825.629
Other payables		<u>351.936</u>	<u>526.553</u>
<b>Current liabilities other than provisions</b>		<b><u>1.490.507</u></b>	<b><u>2.465.268</u></b>
<b>Liabilities other than provisions</b>		<b><u>1.490.507</u></b>	<b><u>2.465.268</u></b>
<b>Equity and liabilities</b>		<b><u><u>10.291.977</u></u></b>	<b><u><u>10.694.222</u></u></b>
Ownership	6		

**Statement of changes in equity for 2013/14**

	<b>Contributed capital DKK</b>	<b>Retained ear- nings DKK</b>	<b>Total DKK</b>
Equity beginning of year	500.000	7.728.954	8.228.954
Profit/loss for the year	0	572.516	572.516
<b>Equity end of year</b>	<b>500.000</b>	<b>8.301.470</b>	<b>8.801.470</b>

## Notes

	<b>2013/14 DKK</b>	<b>2012/13 DKK</b>
<b>1. Tax on ordinary profit/loss for the year</b>		
Change in deferred tax for the year	162.228	(486.061)
	<b>162.228</b>	<b>(486.061)</b>
		<b>Goodwill DKK</b>
<b>2. Intangible assets</b>		
Cost beginning of year		3.200.000
<b>Cost end of year</b>		<b>3.200.000</b>
Amortisation and impairment losses beginning of year		(1.242.500)
Impairment losses for the year		(517.500)
Amortisation for the year		(320.000)
<b>Amortisation and impairment losses end of year</b>		<b>(2.080.000)</b>
<b>Carrying amount end of year</b>		<b>1.120.000</b>
		<b>Other recei- vables DKK</b>
<b>3. Fixed asset investments</b>		
Cost beginning of year		15.380
<b>Cost end of year</b>		<b>15.380</b>
<b>Carrying amount end of year</b>		<b>15.380</b>
	<b>2013/14 DKK</b>	<b>2012/13 DKK</b>
<b>4. Deferred tax</b>		
Intangible assets	(274.400)	392.946
Property, plant and equipment	5.254	(7.148)
Receivables	(13.478)	2.791
Tax losses carried forward	311.327	(201.260)
Other deductible temporary differences	(3.602)	0
	<b>25.101</b>	<b>187.329</b>

## Notes

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
<b>5. Contributed capital</b>			
Shares	5.000	100,00	500.000
	<u>5.000</u>		<u>500.000</u>

## 6. Ownership

The Company is wholly owned by:

Haymarket Media Group Ltd., Teddington Studios, Broom Road, Teddington, Middlesex TW11 9BE, United Kingdom