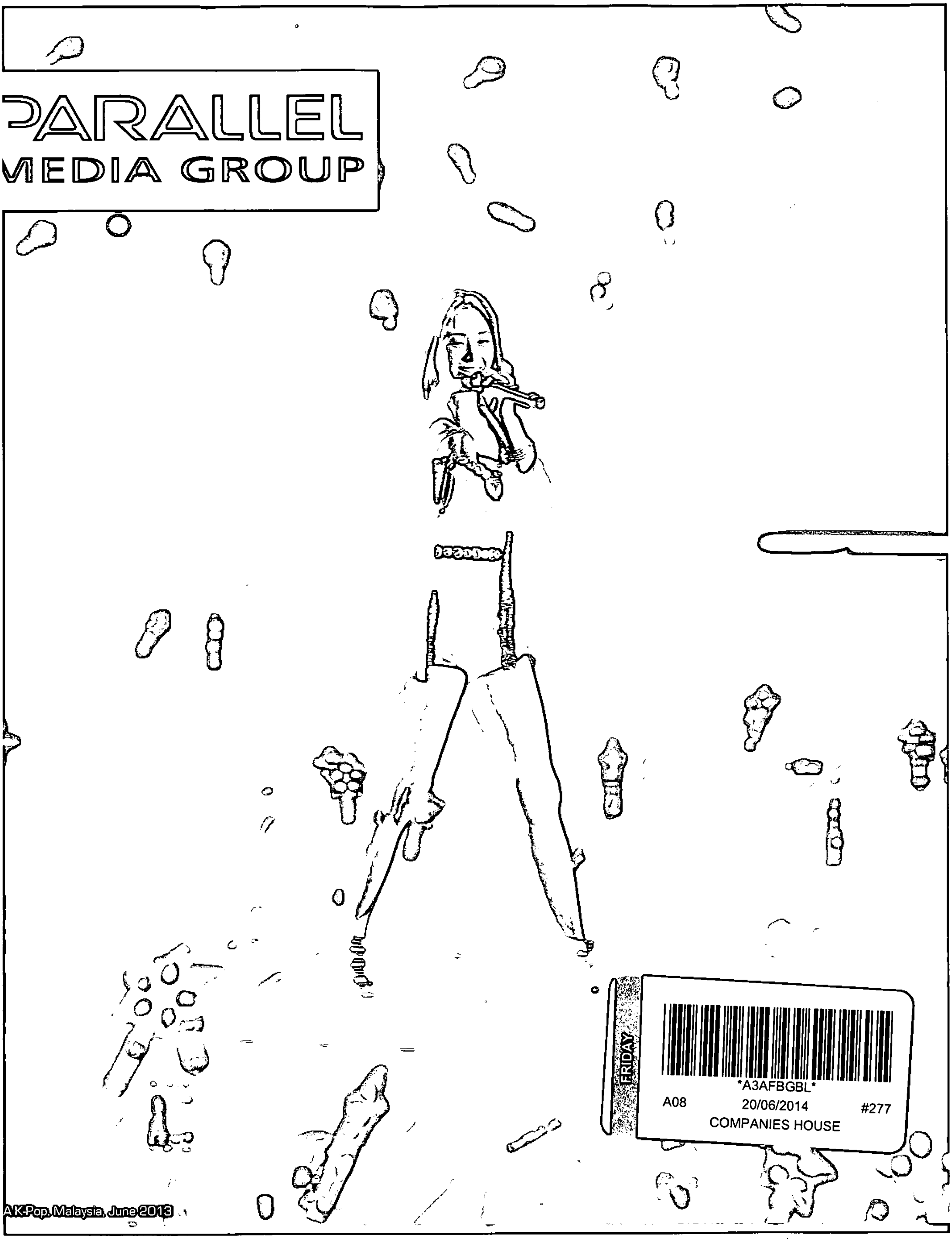
PARALLEL
MEDIA GROUP



A K-Pop, Malaysia, June 2013

Financial Statements

For the year ended 31 December 2013

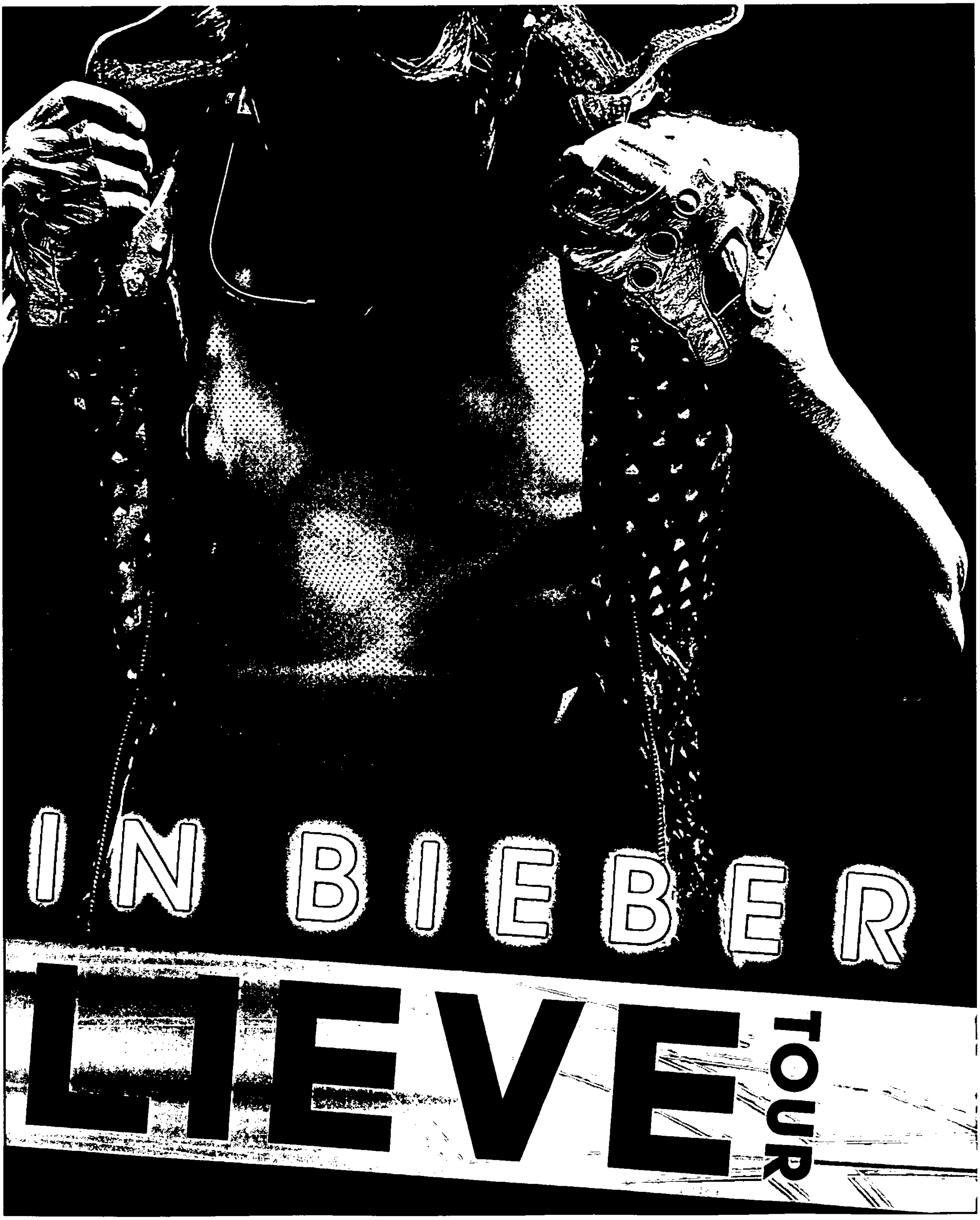
Registered Number 630968

PARALLEL MEDIA GROUP PLC, A LEADING SPORTS, ENTERTAINMENT AND DIGITAL MEDIA AGENCY

PMG is a leading Communications Agency specialising in Sports, Entertainment and Media. Founded in 1987 by Chairman, David Ciclitira and listed on the London Stock Exchange's AIM since August 2001, Parallel Media Group connects lifestyle brands to opportunities in Asian markets.

CONTENTS

AIA: Justin Bieber, Believe Tour, South Korea, October 2013


IN BIEBER
LIEVE
TOUR

DIRECTORS AND ADVISORS

Directors
David Ciclitira (Chairman)
Serenella Ciclitira
Ranjit Murugason
Timothy Sturm (appointed October 2013)

Public Limited Company No
630968 - incorporated in England and Wales

Secretary and Registered Office
Sole Associates Accountants Limited
10 Peterborough Mews
Parsons Green
London, SW6 3BL

Nominated Adviser and Broker
Sanlam Securities UK Ltd
10 King William Street
London, EC4N 7TW

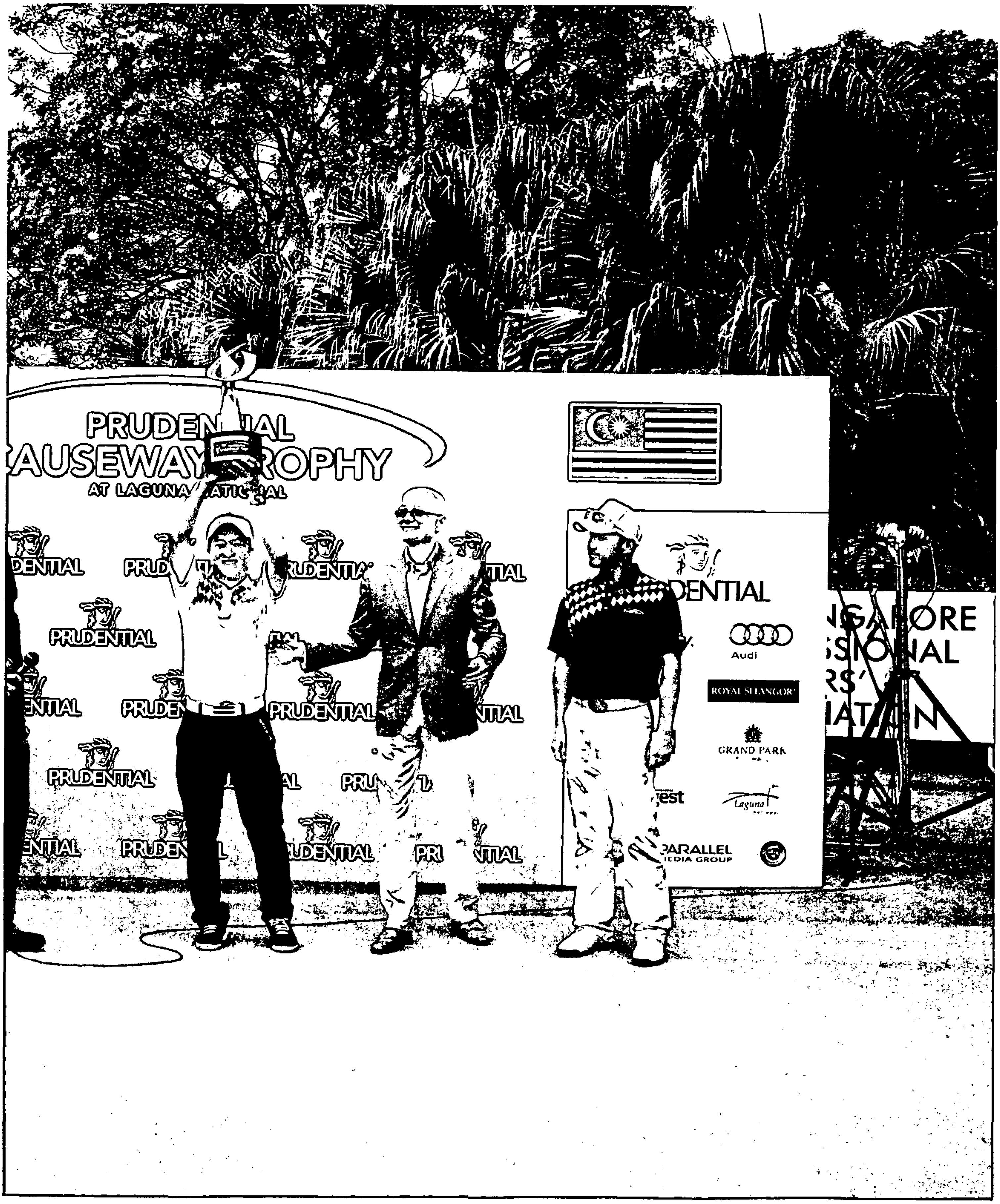
Auditor
Grant Thornton UK LLP
Melton Street, Euston Square
London, NW1 2EP

Solicitors
Starr & Partners LLP
21 Garlick Hill
London, EC4V 2AU

Bankers
Lloyds TSB Commercial
2nd Floor, 25 St George Street
London, W1S 1FS

Registrars
Capita IRG Plc
Beckenham
Kent, BR3 4TU

Prudential Causeway Trophy, Singapore, June 2013


PRUDENTIAL
CAUSEWAY TROPHY
AT LAGUNA NATIONAL
PRUDENTIAL
Audi
ROYAL SELANGOR
GRAND PARK
PARALLEL MEDIA GROUP

CHAIRMAN'S STATEMENT

I have great pleasure in presenting the Company's Annual Report and Financial Statements for the year ended 31 December 2013. Your company, Parallel Media Group plc ("PMG" or the "Group"), continues to make progress in its core businesses of Sport, Entertainment and Media, focusing especially on Asian emerging markets.

During the period under review PMG:

Continued to expand its Sports business, promoting four golf events: the Ballantine's Championship in Korea, The Kazakhstan Open, and two new events in Singapore, namely, the Prudential Causeway Trophy, a Ryder Cup style competition between professional golfers from Singapore and Malaysia and Premier League Golf, a celebrity event involving a number of recent and past professional footballers presented by Marina Bay Sands, one of the leading business, leisure and entertainment destinations.

In Entertainment PMG specialises in connecting international brands with music solutions in the Asian markets and during the period under review has promoted three events with AIA, which is the largest independent publicly listed pan-Asian life insurance group with operations in 17 markets in the Asia-Pacific region.

The Group raised £2 million by way of issuing new shares to provide new working capital (before expenses) thereby, reducing the company's debt, strengthened the Group's balance sheet and providing working capital to enable the Group to pursue new business opportunities within our core business sectors.

Further to the introduction of new Companies Act requirements, the format of the Annual Report has been revised to include a Strategic Report. This is widely seen as an opportunity to set out a clear and concise overview of the Group's aims, strategies and business plan, whilst also highlighting those aspects of the Financial Statements that best reflect the Group's, and your Board's, progress and performance during the year. The Strategic Report contains further information on the performance of the business both during the period under review and since the year end and some information formerly included in the Directors' Report.

During the period Leonard Fine, who was a long term non-executive director, has retired; I would like to take this opportunity to thank him for his support and wise counsel during the period of his engagement. In addition we welcome Timothy Sturm to the PMG board as a non executive director and believe that his considerable experience in advising companies strategically will be of great benefit. I would like to thank my fellow board members for their contribution and continued support during the period.

Finally, I would like to add my special thanks to all of our hard working staff around the world, especially those in Korea, whose lives have recently been affected by the terrible ferry tragedy.

I am personally excited at the future and look forward to 2014 with confidence.

David Ciclitira

Chairman
19th June 2014

STRATEGIC REPORT for the year ended 31 December 2013

The Directors of the Company and its subsidiary undertakings (which together comprise Parallel Media Group "PMG" or the "Group") present their Strategic Report for the year ended 31st December 2013.

The Strategic Report is a new statutory requirement under the Companies Act 2006 and is intended to provide fair and balanced information which enables the Directors to be satisfied that they have complied with s172 of the Companies Act 2006, which sets out the Directors' duty to promote the success of the Company.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year ended 31 December 2013 were the promotion of sport, music events and associated media activities.

ORGANISATION REVIEW

PMG is a leading Communications Agency and has expertise in guiding some of the world's leading brands in the Asian markets. Founded in 1987 by Chairman, David Ciclitira and listed on the London Stock Exchange's AIM since August 2001. The operations of PMG are run from three main offices in London, Singapore and Seoul.

The Board of Directors comprises of the Chairman, two non executive directors and one independent non executive. Their profiles can be found on the company's website www.parallelmediagroup.com

STRATEGY AND BUSINESS PLAN

PMG operates in three distinct areas, Sport, Entertainment and Media.

In Sport the Group specialises in golf and has been responsible for promoting tournaments such as the Championship (formerly the Ballantine's Championship), the 2013 event having taken place in Korea and the 2014 event having been held recently in Singapore and the Prudential Causeway Trophy, a Ryder Cup style competition between professional golfers from Singapore and Malaysia. In addition the Group has also promoted Premier League Golf, a celebrity event held at the prestigious Marina Bay Sandy resort.

In entertainment PMG specialises in connecting international brands with music solutions in the Asian markets. Recent projects include the promoting of a Justin Bieber concert in Korea, a Taylor Swift concert in Malaysia, both for AIA, the "Real Life Company" which is the largest independent publicly listed pan-Asian life insurance group with operations in 17 markets in the Asia-Pacific region. In addition PMG will be promoting the AIA Real Life: NOW Festival in Korea, a global event where the music and culture of the East and West will come together.

The first such event is scheduled to take place in August, 2014 with Lady Gaga secured as the headline act.

PMG's Media activities are conducted through its 50:50 joint venture company with Pico Global services to form Pico TV, a media company specialising in creating digital platforms for events and exhibitions. Pico TV has created a smart media application for global sporting events, such as golf tournaments and motor shows.

FINANCIAL AND PERFORMANCE REVIEW

During the year under review PMG completed two fundraisings. The first, in July also included a placing of new ordinary shares to raise £0.5m (before expenses), a debt capitalisation by the Directors , senior management and other creditors of PMG amounting to £0.79m and certain other arrangements designed to strengthen the Company's balance sheet. The second fundraising took place in December when the Company raised, in aggregate £1.5 million (before expenses). Simultaneously, the Company effected a capital reorganisation resulting in one new ordinary share for every 24 existing ordinary shares. As a result of this reorganisation, PMG now has 3,009,223 ordinary shares in issue.

The purpose of this fundraising was to reduce bank debt and to provide working capital to enable the Company to pursue new business opportunities.

The statement of financial position of PMG is set out on page 18. The strengthening of the Group's balance sheet can be demonstrated by the increase of £2.35m in net assets from £0.57m to £2.92m as at 31 December 2012 and 2013 respectively.

The consolidated income statement is presented on page 16. The Group has turned an operating loss in 2012 of £0.63m into an operating profit of £0.08m, a turnaround of over £0.72m.

STRATEGIC REPORT for the year ended 31 December 2013 (continued)

With five new events held in the first half of 2013 the results for the 6 months ended 30 June 2013 PMG were outstanding. Indeed, PMG's issued interim results showed a profit on ordinary activites before taxation of £0.66m (2012: profit of £0.88). The second half of the year was significantly less productive. The inaugural Sky Lake Vietnam Masters golf tournament which was scheduled to be held in September, 2013 was postponed as was a K POP concert which was due to be held in December. As a result the Groups' revenue was significantly lower than had been planned and the Group incurred a loss before taxation on ordinary activities in the second half of the year.

Furthermore, there have been a number of "one off" accounting write offs, totalling £0.18m in aggregate including £70,000 in relation to the golf event held previously in Kazakhstan. As a result the Company showed a loss before taxation in 2013 of £0.18m (2012: loss before taxation of £0.83m).

This directly impacts the operating profit; pre write-offs the operating profit was £0.26m.

The Directors consider that the following information in the Operating Review will be the best guide for shareholders to be able to assess the Company's progress and performance during the year.

OPERATING REVIEW

During 2013 PMG has made progress and successfully promoted a series of events.

Sport

- Staged a 6th Ballantine's Championship, the last in this form. From 2014 the renamed Championship will be held annually in Singapore. The first of which took place between 1st to 4th May 2014.

- Launched two new golf events in Singapore, namely the Prudential Causeway Trophy and Premier League Golf, a celebrity event involving a number of recent and past professional footballers presented by Marina Bay Sands, one of the leading business, leisure and entertainment destinations.

Entertainment

- Created AIA K-Pop, to promote K-Pop concerts with AIA, which is the largest independent publicly listed pan-Asian life insurance group. The inaugural K-Pop concert was staged in Hong Kong and the second, took place in Kuala Lumpar, Malaysia.

- In October, PMG co-promoted Justin Bieber's first ever concert in South Korea with AIA as the title sponsor for this event.

- Created the Blue & White Festival, to help promote the region of PyeongChang, in the run-up to the Winter Olympics to be held in February, 2018. The second festival is due to take place in December 2014.

Media

- Entered into a Joint Venture agreement with Pico Global Services, one of the leading event companies in Asia, to form Pico TV, a media company specialising in creating digital platforms for events and exhibitions.

FORWARD LOOKING STATEMENT

PMG recently moved the Championship despite positive sponsor negotiations in Korea when it became apparent that PMG would not be able to finalise a title sponsor agreement prior to the event dates. As such, with the support of the European Tour, the event was moved to Singapore where PMG was able to secure an advantageous host club agreement and a family of secondary sponsors in only a three week period.

This change has potentially positive implications for the company in the future, with PMG able to continue its existing title sponsor discussions for the Championship to return to Korea from 2015 onwards, and for a new European Tour and Asian Tour co-sanctioned event in Singapore now targeted for 2015 as well.

Working with Live Nation, PMG created a new festival in Korea, AIA Real Life: NOW Festival ("The Festival"), selling the title sponsorship to AIA and reaching additional agreements with AIA and Live Nation to act as their sponsorship consultants. The Festival headline artists are Lady Gaga, and The YG Family including Psy, 2NE1, BigBang and Winner.

PMG, like many other companies operating in Korea, has had to come to terms with the effects of the Seoul ferry tragedy, which if The Championship had not been moved to Singapore, would have led to the cancellation of the tournament. Fortunately all other events in Korea are scheduled to take place in Q3 and Q4 of 2014 and as such are largely unaffected.

STRATEGIC REPORT for the year ended 31 December 2013 (continued)

PMG is in negotiation with five different companies in relation to the title sponsorship of both Championships in Korea and Singapore. PMG has the opportunity to promote two major golf championships and significant opportunities in the field of music for the second half of 2014 and 2015.

RISK AND UNCERTAINTIES

Revenue Risk

PMG derives the majority of revenues from events and business in Asia, with both events promotion and sponsorship sales in the region. Sponsorship sales rely on international brands seeking to expand their presence in the Asian markets. A downturn in Asian sponsorship could negatively impact PMG results, however PMG is actively working to mitigate this risk through the development of long-term sponsorship contracts.

Cost Risk

A considerable portion of PMG's cost of sales is derived from business in Asia for the delivery of events in the region. Increases in local supplier costs may negatively impact PMG results. PMG works to mitigate this risk by working with internationally recognised suppliers and renegotiates supply contracts on an event by event basis.

Event Cancellation Risk

A large proportion of PMG revenues and costs are derived from the staging of international golf events in the Asia region. To mitigate the impact of event cancellation, PMG insures against this risk.

New Product Risks

PMG carries out market research on new products and expects all new products to generate revenues.

FINANCIAL INSTRUMENTS

Although PMG is based in the UK, a considerable portion of revenue and costs are denominated in US dollars, Euros and Korean Won. As a result, the Group's consolidated financial statements (presented in Sterling) can be affected by adverse currency movements. The Group's financial risk management objective is to minimise the exposure to such foreign currency risks. PMG's policy is to match US dollar, Euro and Korean Won revenue and costs as closely as is practicable.

The Group is exposed to interest rate risk from movements in the bank base rate, as the rate at which medium term loans charge interest is 4% above base.

The Group is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The Group's customers are predominantly comprised of large multi-national luxury brands. The sponsorship & consulting revenues are secured by contracts for the provision of services. Title sponsors pay contracted stage payments in regular intervals throughout the year. Secondary sponsors pay contracted sponsorship fees usually 60 days prior to the event. The Group aims to ensure that the majority of sponsorship is paid prior to the provision of the service or event.

The Group and Company's surplus liquid resources were maintained on short-term interest bearing deposits. The Group plans to continue to meet operating and other commitments as they fall due. Liquidity risk is managed through cash flow forecasts and regular planning.

INTERNAL CONTROLS AND RISK MANAGEMENT

The directors are responsible for the Group's system of internal financial control. Although no system of internal financial control can provide absolute assurance against material mis-statement or loss, the Group's system is designed to bring reasonable assurance that problems are identified on a timely basis and dealt with appropriately.

The Board reviews capital investment, additional borrowing facilities, guarantees and insurance arrangements.

CORPORATE GOVERNANCE

Companies whose shares are traded on AIM are not required to make annual statements to shareholders regarding compliance with the UK Corporate Governance Code. However the company is committed to high standards of corporate governance. PMG has appointed a new non-executive director Timothy Sturm, who will now head the Audit Committee, while Ranjit Murugason remains as an independent non-executive director.

STRATEGIC REPORT for the year ended 31 December 2013 (continued)

ROLE OF THE BOARD

The Board's role is to agree PMG's long-term direction and strategy and monitor achievement of its objectives. The board aims to meet six times a year for these purposes and hold additional meetings where necessary. The Board receives reports on all significant strategic and operational matters.

SHAREHOLDERS

The Board seeks to protect shareholders interests by following, where appropriate, the guidelines in the UK Corporate Governance Code. The annual general meeting provides the Board with an opportunity to meet informally and communicate with investors.

This strategic report was approved by the Board of Directors on 18 June 2014 and signed on its behalf by:

David Ciclitira

(Chairman)
19th June 2014

DIRECTORS' REPORT for the year ended 31 December 2013

BASIS OF PREPARATION, FORECASTS AND ASSUMPTIONS

The financial statements have been prepared on a going concern basis which assumes that the Group will continue in operational existence for the foreseeable future. The directors have prepared trading and cash flow forecasts for the Group for the period to 31 December 2015. The forecasts incorporate trading assumptions, including increased sponsorship from existing tournaments and new sponsorship revenues.

The financial risk management objectives and policies are set out in the Strategic Report.

Branches in the EU
The group has a Joint Venture, Parallel Media Italia s.r.l., a company incorporated in Italy.

DIVIDEND

No dividend is recommended in respect of the year ended 31 December 2013 (2012 - £Nil).

DIRECTORS

The Directors during the year were:

Director	Period of office
David Ciclitira	Director for the full year ended 31 December 2013
Leonard Fine	Non - Executive Director until July 2013
Serenella Ciclitira	Non - Executive Director for the full year ended 31 December 2013
Ranjit Murugason	Non - Executive Director for the full year ended 31 December 2013
Timothy Sturm	Non- Executive Director from October 2013

Directors' interests in shares and options

The beneficial interests in the ordinary share capital of the Company of the directors in office at 31 December 2013 were as follows: (Further details on the directors' beneficial interests in the share options are given in note 26 of the financial statements along with details of the subsequent Capital Reorganisation).

	31 December 2013 Ordinary shares of 52.8p		31 December 2012 Ordinary shares of 2.2p	
Director	Fully Paid	Options	Fully Paid	Options
David Ciclitira	1,014,321	15,227	8,028,911	44,935
Leonard Fine	-	496	-	11,907
Serenella Ciclitira	6,423	-	-	-
Ranjit Murugason	180,649	-	1,309,524	-
Tim Sturm	7,083	-	-	-

DIRECTORS' REPORT for the year ended 31 December 2013 (continued)

The shares or beneficial interest in the shares held by David Ciclitira are as follows:

Holder	No. of 52.8p shares 2013	No. of 2.2p shares 2012	Reference
D Ciclitira	688,747	277,672	held by D Ciclitira directly
Walbrook Trustees (Jersey) Ltd	206,532	4,956,788	a discretionary trust, of which D Ciclitira is a potential beneficiary
Luna Trading Ltd	116,434	2,794,451	a company held by a discretionary trust, of which D Ciclitira is a potential beneficiary
S Ciclitira	6,423	-	held by S Ciclitira directly
Lynchwood Nominees	2,604	-	
	1,020,740	**8,028,911**	

The above table constitutes the David Ciclitira Concert Party.

SUBSTANTIAL SHAREHOLDINGS

The following investors notified the directors that they hold or are beneficially interested in 3% or more of the Company's ordinary share capital.

David Ciclitira Concert Party	1,020,740	33.92%
Harwood Capital LLP	849,530	28.23%
BNY (OCS) Nominees Limited	189,881	6.31%
Ranjit Murugason	183,846	6.11%

DIRECTORS' LIABILITY INSURANCE

During the year, directors' and officers' liability insurance was maintained for directors and other officers of the Company as permitted by the Companies Act 2006.

AIM COMPLIANCE

In accordance with AIM Rule 31, the company is required to have in place sufficient procedures, resources and controls to enable its compliance with the AIM Rules. In order to ensure that these obligations are met, matters of compliance are managed through regular Board meetings and advice is sought from the Group's nominated adviser (Nomad). The Directors are satisfied that the company's obligations under AIM Rule 31 have been met during the period under review.

PROVISION OF INFORMATION TO AUDITOR

In the case of each of the directors who are directors of the company at the date when this report is approved:

- So far as they are individually aware, there is no relevant audit information of which the company's auditor is unaware; and

- Each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of the information.

DIRECTORS' REPORT for the year ended 31 December 2013 (continued)

AUDITOR

Parallel Media Group appointed Grant Thornton UK LLP as its auditors for the company and its subsidiaries for the financial year 2013. There were no circumstances connected with the appointment and subsequent resignation of BDO LLP. We would like to thank BDO LLP for their knowledge and support over the past 10 years. The appointment was agreed by the board. A resolution to appoint Grant Thornton UK LLP will be put to the next Annual General Meeting.

POST BALANCE SHEET EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

On behalf of the Board

David Ciclitira

(Chairman)
19th June 2014

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have, as required by the AIM Rules of the London Stock Exchange, elected to prepare the group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and have also elected to prepare the parent company financial statements in accordance with those standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRSs as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website Publications

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARALLEL MEDIA GROUP PLC

We have audited the financial statements of Parallel Media Group plc for the year ended 31 December 2013 which comprise the group statement of comprehensive income, the group and parent company statement of financial position, the group and parent company statements of changes in equity, the group and parent company statements of cash flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARALLEL MEDIA GROUP PLC (CONTINUED)

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Mark Henshaw
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
18 June 2014

CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2013

	Note	2013	2012
		£'000	£'000
Continuing operations			
Revenue	4	7,817	6,264
Cost of sales	5	(5,660)	(4,847)
Gross profit		2,157	1,417
Administrative expenses			
Other admininstrative expenses		(1,989)	(1,800)
Foreign exchange		96	(28)
Depreciation and amortisation of non financial assets		(181)	(223)
Total administrative expenses		(2,074)	(2,051)
Operating profit/(loss)	6	83	(634)
Finance costs	9	(188)	(114)
Share of post acquisition loss of Joint Venture		(81)	(832)
Loss before tax	4	(186)	(832)
Tax expense	11	-	-
Loss for the year		(186)	(832)
Attributable to:			
Non-controlling interests		-	(198)
Equity holders of the parent		(186)	(634)
		(186)	(832)
Loss per share			(Restated)
-basic	12	(6.2p)	(21.1p)
-diluted	12	(6.2p)	(21.1p)

The accompanying accounting policies and notes from an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2013

	2013 £'000	2012 £'000
Loss for the year	(186)	(832)
Items that will be subsequently reclassified to profit and loss		
Exchange difference on translation of foreign operations	60	-
Total comprehensive income (expense) for the year	(126)	(832)
Total comprehensive income (expense) attributable to:		
Equity holders of the parent	(126)	(634)
Non - controlling interest	-	(198)
	(126)	(832)

STATEMENTS OF FINANCIAL POSITION as at 31 December 2013

		Group		Company	
		2013 £'000	2012 £'000	2013 £'000	2012 £'000
Non current assets					
Property, plant and equipment	13	3	7	-	1
Intangible assets - Tournament rights	14	1,730	1,866	1,730	1,866
Intangible assets - Development costs	14	2,923	2,960	140	177
Investment in Joint Venture	16	-	-	31	4
Goodwill	17	200	200	-	-
Investments	15	56	2	2,365	2,311
Total non current assets		4,912	5,035	4,266	4,359
Current assets					
Inventory		8	13	8	13
Trade and other receivables	18	2,329	2,519	3,262	2,770
Cash and cash equivalents	19	24	68	16	58
Total current assets		2,361	2,600	3,286	2,841
Current liabilities					
Financial liabilities - Borrowings	20	162	406	162	406
Deferred income	21	-	2,281	-	758
Trade and other payables	21	3,097	3,049	5,033	5,963
Total current liabilities		3,259	5,736	5,195	7,127
Net current liabilities		(898)	(3,136)	(1,909)	(4,286)
Non current liabilities					
Financial liabilities - Borrowings	22	379	616	379	616
Deferred tax	25	708	708	-	-
		(1,087)	(1,324)	379	616
Net assets (liabilities)		2,927	575	1,978	(543)
Equity					
Share capital	26	4,612	3,527	4,612	3,527
Share premium		8,741	7,288	8,741	7,288
Other reserves		557	557	557	557
Capital redemption reserve		5,034	5,034	5,034	5,034
Foreign exchange reserve		13	13	-	-
Retained earnings		(16,030)	(15,844)	(16,966)	(16,949)
Equity attributable to equity holders of the parent		2,927	575	1,978	(543)
Non-controlling interests		-	-	-	-
		2,927	575	1,978	(543)

The financial statements were approved and authorised for issue by the Board of directors on 18 June 2014 and were signed on its behalf by:

David Ciclitira - Chairman

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2013	Ordinary Share Capital	Share Premium	Other Reserves	Capital Redemption	Forex Reserve	Retained Earnings	Subtotal	Non controlling Interests	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
As at 31 December 2012	3,527	7,288	557	5,034	13	(15,844)	575	-	575
Loss for the year	-	-	-	-	-	(186)	(186)	-	(186)
Foreign exchange	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(186)	(186)	-	(186)
Issued share capital	1,085	1,779	-	-	-	-	2,864	-	2,864
Share issue costs	-	(326)	-	-	-	-	(326)	-	(326)
At 31 December 2013	4,612	8,741	557	5,034	13	(16,030)	2,927	-	2,927
Company									
At 31 December 2012	3,527	7,288	557	5,034	-	(16,949)	(543)	-	(543)
Loss for the year	-	-	-	-	-	(17)	(17)	-	(17)
Issued share capital	1,085	1,779	-	-	-	-	2,864	-	2,864
Share issue costs	-	(326)	-	-	-	-	(326)	-	(326)
At 31 December 2013	4,612	8,741	557	5,034	-	(16,966)	1,978	-	1,978

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012	Ordinary Share Capital	Share Premium	Other Reserves	Capital Redemption	Forex Reserve	Retained Earnings	Subtotal	Non controlling Interests	Total
Group	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 31 December 2011	3,463	6,653	557	5,034	13	(15,210)	510	(134)	376
Loss for the year	-	-	-	-	-	(634)	(634)	(198)	(832)
Foreign exchange	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(634)	(634)	(198)	(832)
Issued share capital	64	769	-	-	-	-	833	-	833
Shares issued to NCI	-	-	-	-	-	-	-	10	10
NCI in PSM arising on acquisition	-	-	-	-	-	-	-	322	322
Share issue costs	-	(134)	-	-	-	-	(134)	-	(134)
At 31 December 2012	3,527	7,288	557	5,034	13	(15,844)	575	-	575
Company									
At 31 December 2011	3,463	6,653	557	5,034	-	(15,380)	327	-	327
Loss for the year	-	-	-	-	-	(1,569)	(1,569)	-	(1,569)
Issued share capital	64	769	-	-	-	-	833	-	833
Share issue costs	-	(134)	-	-	-	-	(134)	-	(134)
At 31 December 2012	3,527	7,288	557	5,034	-	(16,949)	(543)	-	(543)

The Foreign Exchange translation reserve comprises foreign exchange differences arising from the translation of the financial statements of subsidiaries that do not have a sterling functional currency.

The Capital Redemption reserve comprises amounts transferred from share capital on redemption of issued shares.

STATEMENTS OF CASH FLOWS for the year ended 31 December 2013

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Cash flows from operating activity				
Operating profit/(loss)	83	(634)	172	(1,486)
Depreciation	4	3	1	-
Amortisation of intangibles-Tournament rights	136	136	136	136
Amortisation of intangibles-Development costs	41	84	41	84
Share based payments	325	81	325	81
Loss on disposal of investment	-	10	-	-
(Increase)/decrease in inventory	5	(13)	5	(13)
(Increase)/decrease in receivables	137	(907)	(492)	(1,740)
Increase/(decrease) in payables	(2,558)	867	(2,013)	2,506
Cash (used in) operations	(1,827)	(373)	(1,825)	(432)
Cash flow from investing activities				
Development costs	(4)	(95)	(4)	(42)
Acquisition of equipment	-	(9)	-	-
Investments in subsidiaries	(54)	-	(54)	-
Investments in joint ventures	(28)	(4)	(28)	(4)
Net cash (used in) investing activities	(86)	(108)	(86)	(46)
Cash flow from financing activities				
Shares issued to non-controlling interests	-	10	-	-
Cash proceeds from issue of new shares	2,538	496	2,538	496
Loans received	-	281	-	281
Loans repaid	(445)	(212)	(445)	(212)
Interest paid	(188)	(84)	(188)	(84)
Net cash generated from financing activities	1,905	491	1,905	481
Cash and cash equivalents at beginning of the year	32	22	22	19
Net (decrease)/Increase in cash and cash equivalents	(8)	10	(6)	3
Cash and cash equivalents at end of the year	24	32	16	22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

1. Basis of preparation

These financial statements have been prepared on the historical cost basis or the fair value basis where required and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS as at 31 December 2013.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements which are disclosed in note 3.

A separate income statement for the parent company has not been presented as permitted by section 408 of the Companies Act 2006.

The directors have prepared trading and cash flow forecasts for the group for the period to 31 December 2015. The forecasts incorporate trading assumptions, including increased sponsorship from existing tournaments, new sponsorship revenues, and revenues from new products. The forecasts show that the group has sufficient cash to meet liabilities in the long term.

The directors believe these forecasts to be realistic, and consequently have prepared the financial statements on the going concern basis, which assumes that the group will continue in operational existence for the foreseeable future.

1.1. Adoption of standards effective in 2013

The financial statements are prepared in accordance with International Financial Reporting Standards and Interpretations as adopted by the EU in force at the reporting date.

a) New and amended standards adopted by the group.

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2013 that would be expected to have a material impact on the group.

b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2013 and not early adopted.

The standards and interpretations that have been issued, but are not yet effective are:

- IFRS 10 Consolidated Financial Statements
- IFRS 11 *Joint arrangements*
- IFRS 12 Disclosure of interests in other entities
- IAS 27 Consolidated and separate financial statements

As far as can be determined at this stage, the Directors anticipate that the adoption of these will not have material impact on the Group.

2. Accounting policies

2.1 Consolidation and investments

The consolidated financial statements incorporate the results of the Company and all of its subsidiary undertakings as at 31 December 2013 using the purchase method of accounting. Under the purchase method the results of subsidiary undertakings are included from the date of acquisition. On disposal, the results are included up to the date of disposal. Inter-company balances, transactions, and unrealised gains/losses are eliminated on consolidation.

2.1 Intangible Assets – Tournament rights

The rights to promote European Tour golf events were acquired in September 2006 and included in the statement of financial position as intangible assets *in the audited financial statements for the year ended 31 December 2006. These assets are amortised* on a straight line basis over their expected life of 20 years. Intangible assets acquired are held at cost less amortisation and are reviewed on an annual basis for impairment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

2.2 Intangible Assets - Development costs

Development costs are included in the statement of financial position at cost less any impairment provision. Development costs are only recognised where it can be demonstrated that the project is technically feasible; where there is a clear intention to complete the project; that there is ability to use or sell the asset; that there is a high probability of future economic benefits and expenditure can be measured reliably.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These changes are included in administrative expenses per the income statement.

2.3 Investment in joint ventures

A joint venture is an entity over which the group has joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The investment in a joint venture is initially recognised at cost and adjusted for the group's share of the changes in the net assets of the joint venture after the date of acquisition, and for any impairment in value. If the group's share of losses of a joint venture exceeds its interest in the joint venture, the group discontinues recognising its share of further losses.

2.4 Property, Plant & Equipment

All property, plant and equipment assets are stated at cost less accumulated depreciation.

Depreciation is provided on office equipment and fixtures & fittings at 20% on a straight line basis.
Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

2.5 Impairment of assets

The carrying amounts of the Group's assets, other than inventories, are reviewed at each statement of financial position date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

2.6 Financial instruments

The group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are recognised on trade date when the group becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus, in the case of a financial instrument not at fair value through profit and loss, transactions costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments are derecognised on trade date when the group is no longer a party to the contractual provisions of the instrument.

2.7 Trade receivables

Trade receivables are stated at their amortised cost. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

2.8 Cash and cash equivalents

Cash equivalents comprise short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

2.9 Trade payables

Trade payables are stated at their amortised cost.

2.10 Interest-bearing borrowings (other than compound financial instruments)

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

2.11 Share based payments

Options are measured at fair value at grant date using the Black-Scholes model. The fair value is expensed on a straight line basis over the vesting period, based on an estimate of the number of options that will eventually vest. Cash settled share based payment transactions results in the recognition of a liability at its current fair value.

2.12 Revenue recognition

Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement. The amount of revenue recognised depends on whether we act as an agent or as a principal in an arrangement with a client. Where we act as an agent, the revenue recorded is the net amount retained, where PMG acts as a principal, the revenue recorded is the gross amount billed. Determining whether PMG is acting as a principal or as an agent in relation to certain revenues requires judgment and consideration of all relevant facts and circumstances. PMG is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

Revenue includes sponsorship, management fees, sales & consulting fees, and income from sales of broadcasting rights. Revenue is recognised when the Group has earned the right to receive consideration for its performance, measured on the following basis:

(i) Management fees and other fees earned – on rendering of services, revenue is recognised in the period when the service is performed as per contracts signed with third parties.
(ii) Income from sale of sponsorship and commercial rights – on a straight line basis in accordance with the terms of the agreement, over the period to which the sponsorship or rights payment relates.
(iii) Income from sale of broadcasting rights – on delivery of the programmes to broadcasters in accordance with the terms of the agreement.

2.13 Barter transactions

When services are rendered in exchange for dissimilar goods or services, the revenue generated for the services rendered is measured at the fair value of the goods or services received, adjusted for the amount of any cash or cash equivalents transferred.

2.14 Leases

Rentals under operating leases are charged to the Income Statement on a straight line basis over the lease term.

2.15 Deferred taxation

Deferred tax is provided in full using the balance sheet liability method. Deferred tax is the future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities shown on the statement of financial position.

The amount of deferred tax provided is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the statement of financial position date.

The group does not recognise deferred tax liabilities, or deferred tax assets, on temporary differences associated with investments in subsidiaries, as it is not considered probable that the temporary differences will reverse in the foreseeable future.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The carrying amounts of the deferred tax assets are reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered.

2.16 Segmental reporting

The Group has three operating segments: the Sports, Entertainment and Media segments. In identifying these operating segments, management generally follows the Group's service lines representing its main products and services (see note 4). Each of these operating segments is managed separately as each requires different technologies, marketing approaches and other resources. All inter-segment transfers are carried out at arm's length prices. For management purposes, the Group uses the same measurement policies as those used in its financial statements, except for certain items not included in determining the operating profit of the operating segments, such as share-based payment expenses.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. This primarily applies to the Group's headquarters.

2.17 Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. Differences on exchange arising on translation of subsidiaries are charged directly to other comprehensive income. All other exchange differences have been charged to the Income Statement.

2.18 Business Combinations

The consolidated financial statements incorporate the results of business combinations using the purchase method. The cost of an acquisition is measured as an aggregate of the consideration transferred, measured at the acquisition date fair-value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at the proportionate share of the acquiree's identifiable net assets. Subsequent changes in the proportion of the non-controlling interests, which do not result in de recognition of the subsidiary, are accounted for in equity. Costs incurred in connection with the acquisition are recognised in profit or loss as incurred.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair-value of the Group's previously held equity interest in the acquiree is re-measured to fair-value as at the acquisition date through the profit and loss.

Goodwill is initially measured at cost being the excess of the consideration transferred over the Group's share of net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair-value of nets assets of the subsidiary acquired, the difference is recognised in profit and loss.

After initial recognition, goodwill is measured at cost less any recognised impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to either the acquired business or to each of the Group's cash generating units that are expected to benefit from the combination irrespective of whether other assets or liabilities of the acquire are assigned to those units.

Where goodwill forms a part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit until retained.

Goodwill arising from business combinations is assessed for impairment annually.
The results of the acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

3. Accounting estimates and judgements

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

3.1 Intangible Assets

Tournament rights are the rights to promote European Tour golf events acquired in a market transaction in September 2006. These assets are carried at cost less amortisation. Amortisation is calculated to write-off the assets over their expected useful life of 20 years. Management use a combination of discounted cash flow and valuation multiples to assess the value of the assets at each reporting date. If the assets are deemed to be impaired, the amount of this impairment is taken directly to the income statement.

3.2 Assets and Liabilities acquired in business combinations

The Group makes estimates to the fair value of assets and liabilities acquired in business combinations at the date of acquisition. The primary asset acquired relates to the previous joint venture Parallel Smart Media.

4. Segment Reporting

Operating Segments
The group now operates under three segments, Sports, Entertainment and Media.

Parallel Sports
Parallel Sports operates professional golf tournaments around the world sanctioned by The European Tour, The Asian Tour and The Korean LPGA with a focus in Asia.

Parallel Entertainment
The entertainment division has been developed throughout 2013 and currently has 2 main focuses. The Blue and White Festival held in PyeongChang (the home of the 2018 Winter Olympics) and building on the K-Pop phenomenon with blue chip brands such as AIA through the sponsorship of k-pop concerts across Asia.

Parallel Media
The media segment has a strong focus on smart media using the technology developed by PSM (developed apps include the Hong Kong Eye ipad and iphone app, available through the appstore) allowing event organisers to provide an additional viewing dimension to users.

Segment results for the year	**Sports £'000**		**Entertainment £'000**		**Media £'000**		**Consolidated £'000**	
Operating Segments	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Revenue	6,487	5,902	1,210	232	120	130	7,817	6,264
Joint ventures	7	-	(28)	(115)	(60)	-	(81)	(115)
Segment result	1,893	1,120	123	33	60	130	2,076	1,283
Unallocated corporate expenses	-	-	-	-	-	-	(2,074)	(2,031)
Operating profit/(loss)	-	-	-	-	-	-	2	(748)
Finance costs	-	-	-	-	-	-	(188)	(84)
Loss for the year	-	-	-	-	-	-	**(186)**	**(832)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

4. Segment Reporting (continued)
Revenue by major customer

Operating Segments	Sports £'000 2013	Sports £'000 2012	Entertainment £'000 2013	Entertainment £'000 2012	Media £'000 2013	Media £'000 2012	Consolidated £'000 2013	Consolidated £'000 2012
Client 1	4,131	4,324	-	-	-	-	4,131	4,324
Other clients	2,356	1,578	1,210	232	120	130	3,686	1,940
Total by client and segment	**6,487**	**5,902**	**1,210**	**232**	**120**	**130**	**7,817**	**6,264**

Geographical Analysis

Operating Segments	Revenue £'000 2013	Revenue £'000 2012	Non-Current Assets £'000 2013	Non-Current Assets £'000 2012
South Korea	5,245	5,749	3,437	3,361
Hong Kong	758	-	1,220	1,320
Singapore	1,053	232	57	6
Europe	282	120	-	-
UK	27	163	198	348
Malaysia	452	-	-	-
Total by geography	**7,817**	**6,264**	**4,912**	**5,035**

Segment Assets & Liabilites

	Sports £'000 2013	Sports £'000 2012	Entertainment £'000 2013	Entertainment £'000 2012	Media £'000 2013	Media £'000 2012	Consolidated £'000 2013	Consolidated £'000 2012
Segment assets	2,946	3,178	253	933	3,269	3,145	6,468	7,256
Unallocated corporate assets	-	-	-	-	-	-	805	379
Consolidated total assets	-	-	-	-	-	-	7,273	7,635
Segment libailities	(1,890)	(3,093)	-	(859)	(793)	(746)	(2,683)	(4,698)
Unallocated corporate liabilities	-	-	-	-	-	-	(1,663)	(2,362)
Consolidated total liabilities	-	-	-	-	-	-	(4,346)	(7,060)
Net assets	-	-	-	-	-	-	2,927	575

Other Segment Information for the Year

	Sports £'000 2013	Sports £'000 2012	Entertainment £'000 2013	Entertainment £'000 2012	Media £'000 2013	Media £'000 2012	Consolidated £'000 2013	Consolidated £'000 2012
Depreciation of tangible assets	(3)	(3)	-	-	-	-	(4)	(3)
Capital expenditure on intangible assets	-	-	-	-	4	(95)	4	(95)
Amortisation of intangible assets	(136)	(136)	-	(84)	(41)	-	(177)	(220)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

5. Cost of Sales

The Group's Cost of Sales comprises:	2013 £000	2012 £000
Prize purse and sanction fees	1,913	2,071
Commissions payable	80	51
Direct delivery costs	3,667	2,660
Other	-	65
Costs of Sales	**5,660**	**4,847**

6. Operating loss on ordinary activities before tax

	2013 £000	2012 £000
This is stated after charging / (crediting):		
Depreciation	4	3
Amorisation	177	220
Operating lease rentals - land & buildings	25	27
(Gain) / loss on foreign exchange	(96)	28
Share-based payment transactions (see note 26)	325	173

7. Auditor's Renumeration

	2013 £000	2012 £000
Fees payable to the auditor (Grant Thornton UK LLP) for the audit of the annual accounts of the group, the company and the group subsidiaries 2013.	41	-
Fees paid to the auditor (BDO LLP) for the audit of the annual accounts of the group, the company and the group subsidiaries relating to 2012.	57	51
Services relating to taxation.	-	8
	98	**59**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

8. Employees

	2013	2012
Group		
The average number of employees (including directors) during the year was:	(No.)	(No.)
Administration	**16**	**17**

	2013 £000	2012 £000
The aggregate payroll costs including directors were:		
Wages, salaries and fees	837	835
Social security costs	28	22
	865	**857**

9. Finance Costs

	2013 £000	2012 £000
On bank loans	43	34
On loan guarantee from related parties	45	50
On conversion of debt to equity	100	-
Finance costs	**188**	**84**

10. Renumeration of Directors

The Directors are the key management personnel of the Group. Directors' remuneration, including non executive directors, during the year was as follows:

Group & Company	2013 £000	2012 £000
David Ciclitira (Chairman)	221	221
Leonard Fine (Non-Executive) to July 2013	25	49
Serenella Ciclitira (Non-Executive)	25	25
Ranjit Murugason (Non-Executive)	100	100
Tim Sturm (Non-Executive) from October 2013	4	-
Total Emoluments	**375**	**395**

Ranjit Murugason is remunerated by share based payment. There are no other benefits for Directors other than Emoluments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

11. Tax	Year Ended 31 December 2013 £000	Year Ended 31 December 2012 £000
UK corporation tax in respect of current year	-	-
Current taxation	-	-
Total tax charge for the year	-	-
Loss on ordinary activites before tax	(186)	(832)
Loss on ordinary activites at the standard rate of corporation tax of		
23.25% (2012 - 24.5%)	-	(204)
Effect of:		§
Revenue expenditure capitalised	4	23
Items not deductivle for tax purposes	-	39
Tax losses utilised in year - not recognised through deferred	-	-
Tax losses carries forward - deferred tax not recognised	(4)	(54)
Total tax charge for the year	-	-

12. Loss per Share

The basic earnings per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of shares in issue during the year. In calculating the diluted earnings per share, outstanding share options, warrants and convertible loans are taken into account where the impact of these is dilutive.

	2013	**2012 (Restated)**
(i) Basic		
Loss for the financial year (£'000)	(186)	(634)
Weighted average number of shares in issue	3,009,233	3,009,233
Loss per share	(6.2p)	(21.1p)
(ii) Diluted		
Loss for the financial year (£'000)	(186)	(634)
Add back interest charged on convertible loans where the impact of	-	-
these loans is dilutive (£'000)		
Diluted Loss (£'000)	**(186)**	**(634)**
Weighted average number of shares in issue	3,009,223	3,009,223
Weighted average of potential dilutive effect of ordinary shares	-	-
issuable under Convertible loan agreements.	**3,009,223**	**3,009,223**
Fully diluted loss per share*	6.2p	21.1p

*The fully diluted loss per share is the same as the basic loss per share as the effects of potential shares are anti-dilutive.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

12. Loss per Share (Continued)

During 2013 there was a share restructure which altered the number of shares in issue. IAS 33.26 requires that the weighted average number of ordinary shares outstanding during the period and for all periods presented shall be adjusted for events that have changed the number of ordinary shares outstanding without a corresponding change in resources. The 2012 share figure used in the calculation of EPS has therefore been restated to reflect the share consolidation in the current year.

13. Property, Plant & Equipment

The useful lives of each class of fixed asset are reviewed annually to assess impairment. Where the asset is found to be impaired an appropriate charge is taken to the Income Statement.

	Group		**Company**	
	Office Equipment 2013 £000	**Office Equipment 2012 £000**	**Office Equipment 2013 £000**	**Office Equipment 2012 £000**
Cost				
Cost at start of year	255	246	45	45
Additions for year	-	9	-	-
Cost at end of year	**255**	**255**	**45**	**45**
Depreciation				
Cumulative depreciation at start of year	248	245	44	44
Charge for year	4	3	1	-
Cumulative depreciation at end of year	**251**	**248**	**45**	**44**
Net book value at end of year	3	7	-	1
Net book value at start of year	**7**	**1**	**-**	**1**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

14. Intangible Assets

Tournament rights

Tournament rights are the rights to promote European Tour golf events acquired in a market transaction in September 2006. These assets are carried at cost less amortisation. Amortisation is calculated to write-off the assets over their expected useful life of 20 years.

Group and Company **Cost**	**2013** **£000**	**2012** **£000**
Cost at start of year	2,713	2,713
Additions in the year	-	-
Cost at end of year	**2,713**	**2,713**
Amortisation		
Cumulative amortisation at start of year	847	711
Amortisation for the year	136	136
Cumulative amortisation at end of year	**983**	**847**
Net book value at start of year	1,866	2,002
Net book value at end of year	**1,730**	**1,866**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS *for the year ended* 31 December 2013

14. Intangible Assets (continued)

Development Costs

Development costs are incurred in the creation of new media assets and propositions, the benefits of which are expected to be derived in future years. Development costs are written-off over the expected useful life of the asset. The development assets are assessed for impairment annually.

	Group		Company	
	2013 **£000**	**2012** **£000**	**2013** **£000**	**2012** **£000**
Cost				
Cost at start of year	3,218	393	435	393
Additions for year	4	95	4	42
Arising on acquisition in year for PSM software	-	2730	-	-
Cost at end of year	**3,222**	**3,218**	**439**	**435**
Depreciation				
Cumulative depreciation at start of year	258	174	258	174
Charge for year	41	84	41	84
Cumulative depreciation at end of year	**299**	**258**	**299**	**258**
Net book value at end of year	**2,923**	**2,960**	**140**	**177**
Net book value at start of year	2,960	219	177	219

All research costs are expensed as incurred. Similarly, sales and marketing costs of exploiting assets are expensed through the Income statement as incurred.

15. Investments

	Group		Company	
	2013 **£000**	**2012** **£000**	**2013** **£000**	**2012** **£000**
Investment in subsidiaries	54	-	2,365	2,311
Investment in joint venture	-	-	31	4
Other investments-available for sale	2	2	-	-
	56	**2**	**2,369**	**2,315**

The investment in subsidiaries relates to a 25% equity purchase of Parallel Media Group Asia PTE Ltd. The consideration paid to Urban Strategic PTE Ltd. a company controlled by the non-executive director R Murugason was 1,074,283 shares in the group at 5p total GBP 53,714.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

16. Investment in Joint Venture

	Group	
	2013 £000	2012 £000
Balance brought forward	4	1,319
Share of losses in joint venture	(31)	(95)
Transfer to subsidiaries upon acquisition	-	(1,224)
Investment in PMI	-	4
Investment in Pico	27	-
	-	4

Investments

Parallel Media Group Asia has a 50% interest in Parallel Smart Media Asia Alpha Entertainments Private Limited, a company incorporated in Singapore. Parallel Media Group has a joint venture with Parallel Media Italia s.r.l, Causeway Trophy PTE Ltd and Pico TV Pte Ltd.

The aggregate results of joint ventures owned during the year are:	2013 £000	2012 £000
Turnover	776	678
Loss before tax	(336)	(317)
Taxation	-	-
Loss after tax	(336)	(317)
Fixed assets	-	-
Current assets	83	12
Liabilities due within one year	(75)	(168)
Liabilities due after one year	(240)	(281)

Other Investments

Other investments available for sale	Group £'000	Group £'000
At 1 January 2013	2	2
Disposals in year	-	-
At 31 December 2013	2	2

17. Goodwill

	Group £'000
Opening cost at 1 January 2013	200
Closing cost at 31 December 2013	**200**

The carrying value of Intangible Goodwill with an indefinite life is £200k. The fair value of the intagible asset was assessed using the replacement cost approach as the platform is still in the proof of concept phase with minimal revenue streams at present. The Goodwill was acquired upon the business combination of 25% of PSM.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

18. Trade and Other Receivables

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Trade receivables	120	779	260	439
Amounts owed by subsidiaries	-	-	908	783
Amounts owed by joint ventures	493	394	519	420
Other receivables	1,538	601	1,479	582
Prepayments and accrued income	178	745	96	547
	2,329	**2,519**	**3,262**	**2,770**

At 31 December 2013 all amounts included under trade receivables are due within one year. Company trade receivables include £0.26m respectively due from related parties (2012: £0.9m).

19. Cash and Cash Equivalents

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Sterling Bank Accounts	19	3	16	3
Euro Bank Accounts	-	-	-	-
Dollar Bank Accounts	-	59	-	55
Singapore Dollar Bank Accounts	5	6	-	-
Cash at Bank	24	68	16	58
Bank overdrafts	-	(36)	-	(36)
Total cash and cash equivalents	**24**	**32**	**16**	**22**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

20. Financial Liabilities - Borrowings

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Bank Facility	162	250	162	250
Overdraft	-	36	-	36
Other Loans	-	120	-	120
	162	**406**	**162**	**406**

The bank facility at 31 December 2013 totalling £0.5 million is secured by a personal guarantee provided by David Ciclitira at a monthly cost of £2,326 see note 23.

21. Trade and Other Payables and Deferred Income

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Trade payables	2,095	1,801	732	816
Amounts owed to subsidiary entities	-	-	3,521	4,282
Other payables	432	538	355	281
Other tax and social security	372	440	372	440
Accruals	198	270	53	143
Trade and other payables	**3,097**	**3,049**	**5,033**	**5,963**

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Deferred Income	-	**2,281**	-	758

Deferred income is income received in advance as at 31 December which will be recognised as revenue in the following year when services are rendered. The deferred income in 2012 related to two events where revenue was contracted to be received early there were AIA K POP and title sponsorship for Ballantines Golf Tournament. Both events are not happening in the same format in 2014 therefore no revenue received early in 2013.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

22. Non-Current Liabilities

Financial Borrowings

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Bank Facility	379	455	379	455
Other Loans	-	161	-	161
	379	**616**	**379**	616

At the 31 December 2013, amounts payable to Lloyds Bank totalled £541k (of which £162k is included in current liabilities and £379k is included in non-current liabilities above). The loan was restructured in August 2013 and is now repayable in 48 consecutive monthly instalments representing principal and interest. This reduced the monthly payments. The loan carries interest payable at 4% over base rate. The loan may be repaid early at the discretion of the Group. The loan is secured by a personal guarantee provided by David Ciclitira.

Previously the loan which started in 2010 and was over 48 consecutive monthly instalments representing principle and interest carried interest at 3% over base rate.

23 Financial instruments

The Group and Company operations expose them to a number of financial risks. The directors aim to protect the Group and Company against the potential adverse effects of these financial risks.

Financial Assets

Financial Assets include cash and trade and other receivables (excluding prepayments) which are classified as "loans and receivables"; and equity investments which are classified as "available for sale" (excluding investments in subsidiaries and joint ventures). These amounts have been shown separately on the face of the statement of financial position. Funds not immediately required for the Group and Company's operations are invested in bank deposits. It is the directors' opinion that the carrying values of cash, trade receivables and investments approximate to their fair values.

Financial Liabilities

Financial Liabilities include current and non-current borrowings and trade and other payables (excl. tax & social security, and deferred income). All amounts are carried at amortised cost. These amounts have been disclosed in the notes to the financial statements. It is the directors' opinion that the carrying values of financial liabilities approximate to their fair value.

Liquidity Risk

The Group and Company's surplus liquid resources were maintained on short-term interest bearing deposits. The Group and Company plans to continue to meet operating and other loan commitments as they fall due. Liquidity risk is managed through cash flow forecasts and regular planning.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

23. Financial Liabilities (Continued.)

Remaining Contractual Maturities Year ended 31 December 2013

	Within	**> 3 months**	**> one year**	**Total carrying**
Group	**3 months**	**< 1 year**	**< 5 years**	**amount**
Bank Loans & borrowings	47	140	435	622
Trade & other payables (excluding tax and deferred income)	2,899	-	-	2,896
	2,946	**140**	**435**	**3,521**

	Within	**> 3 months**	**> one year**	**Total carrying**
Company	**3 months**	**< 1 year**	**< 5 years**	**amount**
Bank Loans & borrowings	47	140	435	622
Trade & other payables (excluding tax and deferred income)	4,607	-	-	4,607
	4,654	**140**	**435**	**5,229**

Set out below are Liquidity risk comparative tables as at 31 December 2012

Remaining Contractual Maturities Year ended 31 December 2012

	Within	**> 3 months**	**> one year**	**Total carrying**
Group	**3 months**	**< 1 year**	**< 5 years**	**amount**
Bank Loans & borrowings	129	277	616	1,022
Trade & other payables (excluding tax and deferred income)	2,609	-	-	2,609
	2,738	**277**	**616**	**3,631**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

23. Financial Liabilities (Continued.)

Company	Within 3 months	> 3 months < 1 year	> one year < 5 years	Total carrying amount
Bank Loans & borrowings	129	277	616	1,022
Trade & other payables (excluding tax and deferred income)	5,525	-	-	5,525
	5,654	**277**	**616**	**6,547**

24. Financial Instruments

Credit Risk	Not impaired (£'000)	Not impaired but past due by the following amounts >30 days	>60 days	>90 days	>120 days
Group: Trade & other receivables (excluding prepayments)	2,154	18	-	-	137
Company: Trade & other receivables (excluding prepayments)	3,166	18	-	-	-

	Not impaired (£'000)	Not impaired but past due by the following amounts >30 days	>60 days	>90 days	>120 days
Group: Trade & other receivables (excluding prepayments)	1,774	479	-	-	216
Company: Trade & other receivables (excluding prepayments)	2,224	-	-	-	45

Group trade and other receivables excluding prepayments as at 31 December 2013 were £2.2m. Assets not impaired but past due were £0.2m. PMG have contra supply arrangements which are expected to enable the recovery of the unimpaired but past due amounts and/or consider these collectable. Impaired trade receivables for the year ended 31 December 2013 represent specifically identified amounts which are past due and for which collection is deemed unlikely. All remaining trade and other receivables as at 31 December 2013 are collected and/or collectable and are therefore considered of low credit risk. All bank deposits are maintained in the UK and are considered to be low credit risk.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

24. Financial Instruments (Continued.)

Allowance for Credit Losses (Group and Company)	**2013**	**2012**
	£'000	**£'000**
Allowances at start of year	86	121
Amounts written back during the year	(86)	(96)
Additions charged to Income Statement in year	-	61
	-	**86**

Market Risk

(a) Interest rate risk

Bank loans totalling £0.541 million are at variable interest rates and are therefore exposed to interest rate fluctuations. Sensitivity: For each +/- 1% change in the bank rate, the Profit for the year will be positively or negatively impacted by £5,410 (2012: £7,050).

(b) Foreign currency risk

Although the Company is based in the UK, a significant part of the Group's and Company's operations are overseas, primarily in Asia, and the operating or functional currency of a large part of the Asian business is in US Dollars or Euros. As a result, the Company's consolidated Sterling accounts can be affected by movements in the US Dollar/Sterling and the Euro/Sterling exchange rates.

The foreign assets and liabilities of the Group and Company are closely matched as at 31 December 2013. The table below sets out the carrying amounts of assets and liabilities for the Group in their presentational currency (i.e. Sterling) and a total impact for each 10% fluctuation in exchange rates. Based on the carrying amounts of foreign assets and liabilities as at 31 December 2013, for each 10% fluctuation in exchange rates, net assets are expected to be impacted by +/- £54,000 (2012: £23,000).

Year Ended 31 December 2013	**Carrying Amount (Sterling Equiv.)**						**Carrying**	**Forex Risk**	
	£	**$**	**€**	**HK$**	**KRW**	**SGD**	**Amount**	**(-10%)**	**10%**
Financial Assets	**'000**	**'000**	**'000**	**'000**	**'000**	**'000**	**£'000**	**£'000**	**£'000**
Cash	19	-	-	-	-	5	24	1	(1)
Trade receivables	100	20	-	-	-	-	120	2	(2)
Investments held for sale	2	-	-	-	-	-	2	-	-
Other debtors	925	809	-	-	-	296	2,030	111	(111)
Total financial assets	**1,046**	**829**	-	-	-	**301**	**2,176**	**114**	(114)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

24. Financial Instruments

(Foreign Currency Risk Continued.)

	Carrying Amount (Sterling Equiv.)							Forex Risk	
	£	$	€	HK$	KRW	SGD	Carrying Amount	(-10%)	10%
Financial Liabilities	'000	'000	'000	'000	'000	'000	£'000	£'000	£'000
Borrowings<1 year	162	-	-	-	-	-	162	-	-
Trade payables	424	1,332	338	1	-	-	2,095	(167)	167
Other payables	799	-	2	-	-	-	801	-	(-)
Accruals and provisions	192	-	-	-	-	6	198	(1)	1
Non current borrowings	379	-	-	-	-	-	379	-	-
Total financial liabilities	1,956	1,332	340	1	-	6	3,635	(168)	168
Net Impact								(55)	55

Year Ended 31 December 2012

	Carrying Amount (Sterling Equiv.)							Forex Risk	
	£	$	€	HK$	KRW	SGD	Carrying Amount	- 10%	10%
Financial Assets	'000	'000	'000	'000	'000	'000	£'000	£'000	£'000
Cash	3	59	-	-	-	6	68	7	(7)
Trade receivables	84	598	93	-	4	-	779	69	(69)
Investments held for sale	2	-	-	-	-	-	2	-	-
Other debtors	509	212	-	-	-	274	995	49	(49)
Total financial assets	598	869	93	-	4	280	1,844	125	(125)
Financial Liabilities									
Borrowings<1 year	370	-	36	-	-	-	406	(4)	4
Trade payables	325	1,375	58	43	-	-	1,801	(148)	148
Other payables	436	76	26	-	-	-	538	10	(10)
Accruals and provisions	210	53	-	-	-	7	270	(6)	6
Non current borrowings	616	-	-	-	-	-	616	-	-
Total financial liabilities	1,957	1,504	120	43	-	7	3,631	(148)	148
Net Impact								(23)	23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

25. Deferred Taxation

The actual and potential liability to deferred tax is £708k. Due to the availability of UK tax losses, subject to agreement with the HM Revenue and Customs, there is an estimated deferred tax asset of £5,964k (2012: £5,392k)

There were no deductible temporary differences or unused tax credits at either 31 December 2012 or 31 December 2013. There were no amounts of deferred tax recognised in the income statement for either the year ended 31 December 2013 or for the year ended 31 December 2012.

	Group	
	2013	**2012**
	£'000	**£'000**
Balance brought forward from Investment in joint venture	(708)	(708)
	(708)	(708)

26. Called Up Share Capital

The Authorised Share Capital is set out in the table below:

	2013	**2012**
Authorised Share Capital	**£'000**	**£'000**
3,009,223 ordinary shares of 52.8p	1,589	-
316,989,608 ordinary shares of 2.2p	-	6,974
199,831,545 deferred shares of 0.5p each	999	999
103,260 deferred B shares of £19.60	2,024	2,024
	4,612	**9,997**

	2013	**2012**
Issued and fully paid as at 31 December 2012	**£'000**	**£'000**
3,009,233 ordinary shares of 52.8p	1,589	-
22,912,346 ordinary shares of 2.2p	-	504
199,831,545 deferred ordinary shares of 0.5p each	999	999
103,260 deferred B shares of £19.60	2,024	2,024
	4,612	**3,527**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

26. Called Up Share Capital (continued.)	2013	2012
Reconciliation of the number of shares outstanding is:	**(number)**	**(number)**
Ordinary shares		
Ordinary shares of 2.2p	22,912,346	20,019,751
Ordinary shares of 2.2p each issued during the period	26,228,223	2,892,595
Ordinary shares of 2.2p each in issue at end of year	-	**22,912,346**
Ordinary shares of 2.2p at 30th December 2013	**49,140,569**	-
Consolidation of ordinary shares 24 to 1	2,047,523	-
Ordinary shares of 52.8p each issued during the period	961,710	-
Ordinary shares of 52.8p each in issue at end of year	**3,009,233**	-

Issued and fully paid deferred shares	(number)	(number)
Deferred shares of 0.5p each in issue	199,831,545	199,831,545
Deferred B shares of £19.60	103,260	103,260

(i) Ordinary shares: during the year ordinary shares were issued as follows:

Ordinary shares of 2.2p each issued during the year	2013 (number)
August 2013 at 14.5p per share	431,034
August 2013 at 7.923 per share	394,421
August 2013 at 5p per share	25,402,768
Total shares of 2.2p each issued during the year	**26,228,223**
The ordinary shares were then consolidated in a capital re organisation at 24 to 1 leaving shares in issue at 52.8p	2,047,523
December 2013 at 156p per share	641,026

26. Called Up Share Capital (Continued)

(ii) August share issues - Being a total value of £1.36m, with settlement of amounts owed to creditors £0.18m, payment of services £0.15m, conversion of debt £0.48m, consideration of Parallel Media Group Asia £0.05m, new cash £0.5m with £0.12m going to the share premium account.

December share issues at 156p - Being a total value of £1.5m, new cash of £1.36m with £0.14m going to the share premium account.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

26. Called Up Share Capital (continued.)

(iii) Deferred B shares

The deferred shares do not entitle their holders to receive any dividend or other distribution, they do not entitle their holders to receive notice of or to attend, speak or vote at any General Meeting of the Company, and they do not entitle their holders on a return of assets on a winding-up of the Company or otherwise only to the repayment of the capital paid up on such Deferred Shares and only after repayment of the capital paid up on each Ordinary Share in the capital of the Company and the payment of a further £100,000 on each such Ordinary Share (£1,000,000 in the case of each deferred B share).

27. Share Based Payments

Share options and warrants outstanding at the year ended 31 December 2013 had a weighted average exercise price of 36p (2012 45p) and a weighted average remaining contract life of 1.5 years (2012 1.6 years). No options were exercised during the year.

	2013		2012	
	Number of options & warrants ('000s)	Weighted average exercise price (Pence)	Number of options & warrants ('000s)	Weighted average exercise price (Pence)
Outstanding at start of year	357	45p	357	45p
Adjustment to opening balance as incorrect in 2012 accounts.	(196)	-	-	-
Share options & warrants granted during the year	-	-	-	-
Share options & warrants expiring during the year	(115)	40p	(19)	45p
Outstanding at the end of the year	**46**	**36p**	**338**	**45p**
Exercisable at the end of the year	**8**	**14.5p**	**338**	**45p**

The weighted average vesting period is estimated at 1.5 years. There is no charge to the Income Statement for the twelve months to 31 December 2013 (2012: £Nil) for share based payment as reported under IFRS 2.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

27. Share Based Payments (continued)

Share Option Scheme

The Group operates approved and unapproved share option schemes. No new share options were issued during the year. The following share options were outstanding at 31 December 2013.

Scheme:	Last Exercise Date	Exercise Price (pence)	Options as at 31 December 2012	Options as at 31 December 2013
Approved	October 2016	55p	33,806	33,806
Unapproved	October 2016	55p	35,113	35,113
Approved	April 2014	14.5p	57,281	57,281
			126,200	**126,200**

Options granted to directors and not exercised at 31 December 2013 (included above) were as follows:

Name	Latest exercise dates	Approved Scheme		Unapproved Scheme	
		price	Number	price	Number
D Ciclitira	October 2016	55 pence	11,818	55p	33,117
L Fine	October 2016	55 pence	10,909	55p	998
			22,727		**34,115**

Share warrants

No new warrants grants were entered into during the year. Warrants outstanding at 31 December 2013 are:

Latest exercise date:	Exercise price (pence)	Options as at 31 December 2012	Lapsed	Options as at 31 December 2013
28 February 2013	40p	13,636	13,636	-
28 February 2013	40p	22,727	22,727	-
8 November 2013	40p	231,562	231,562	-
		267,925	267,925	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

27. Share Based Payments (continued)

Share based payments measured directly

During the year ended 31 December 2013, other share based payments of £325k (as disclosed in note 26 of the financial statements) with £145k being the total expense recognised immediately in the profit and loss and £180k to settle existing creditors. The company has measured share based payment transactions directly at the fair value, being the market price for those goods and services.

28. Capital Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Group has net assets of £2.9m. The Group's capital management strategy is to retain sufficient working capital for day to day operating requirements and to ensure sufficient funding is available to meet commitments as they fall due and to support growth.

	31 December 2013 £000	**31 December 2012 £000**
Bank facility	541	705
Total Debt	**541**	**705**
Cash	(24)	(32)
Net Debt	**517**	**673**

In order to maintain or adjust the capital structure the Group may issue new shares or sell assets to reduce debt.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

29. Related parties

During the year ended 31 December 2013, share based payments of £100k were made to Urban Strategic Pte Ltd, for the services of Ranjit Murugason representing shares at a market price of 5p and £7k to Serenella Ciclitira for her services also representing shares at a market price of 5p.

At 31 December 2013 director Serenella Ciclitira was owed £23,556 in unpaid director fees (£20,830 2012). These will be settled in 2014.

Luna Trading
Loan balances and conversions:

Luna Trading Ltd is a company under the control of David Ciclitira. The movements in the payable balances due by PMG in 2013 were as follows:

	2013 £000
Amount of loan outstanding as at 01 January 2012	157
Less 2010 intercompany offset of the PCA balance owed to PMG	(71)
Loan Guarantee interest paid	50
Expenses Incurred	(151)
Payments Made	150
New Loan granted by Luna to the Group at 31 December 2012	281
At 31 December 2012 - Total loan amounts outstanding to Luna Trading	**416**
Less 2012 Intercompany offset of the PCA balance owed to PMG	(274)
Expenses Incurred	426
Payments Made	(191)
Loan Guarantee interest paid	45
Short term facility agreed at August 2013 fundraise	103
Less new loan converted for equity in August 2013 fundraise	(281)
Less debt converted to equity in 2nd submission for short term facility	(47)
Total Owed to Luna Trading at 31 December 2013	**197**

Luna Trading Ltd is the company through which PMG contracts with D Ciclitira for consulting and business services. During the year ended 31 December 2013, Luna Trading Ltd charged PMG (and PMG paid) for Consultancy fees of £221,000 (2012 - £221,000), remote office costs of £39,027 (2012 - £41,000) and Medical Insurance and life cover of £45,000 (2012 £45,000).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

29. Related parties (continued)

Parallel Media Korea Limited:

The company shareholding for Parallel Media Korea Limited is held on trust. During 2014 the shares will be transferred to Parallel Media Group Plc. The inter company balance owed to Parallel Media Group Plc at year end is £810k (2012 - £212k)

Parallel Contemporary Arts Limited:

During the year PMG incurred costs in the staging and management of Art Projects owned by Parallel Contemporary Arts Limited, a company under the control of David Cicilitira. Amounts owed at 31 December 2013 are £29k (2012 - £121k)

Parallel Smart Media Limited:

The company holds 75% of PSM at the end of the year. PSM was charged Nil by PMG in 2013 (2012 £94k) for licence fees. At end of year PSM owed £312k PMG (2012 £312k)

Parallel Smart Media Asia Alpha Entertainments Private Limited:

During the year 2012 PMG provided funding of £329k to PSMA Alpha Entertainments Private Limited. PSMA Alpha Entertainments Private Limited is a Joint Venture between Parallel Media Group Asia Limited and HW Alpha Private Limited and is incorporated in Singapore. At 31 December 2013 £274k (2012 £274k) was due to Parallel Media Group.

Parallel Media Italia s.r.l

During the year, Parallel Media Group provided services to Parallel Media Italia amounting to £120k at 31 December 2013 £240k was outstanding (2012 £120k)

30. Operating Leases

The amounts payable in respect of operating leases are shown below. All of the operating lease amounts relate to the rental of premises. The future minimum lease payments under non-cancellable operating leases are £50k. Lease payments recognised in the profits for the period amounted to £25k (2012: £27k).

	Group		Company	
	31 December 2013 £000	31 December 2012 £000	31 December 2013 £000	31 December 2012 £000
Lease commitments payable within 1 year	25	20	25	25
Lease commitments payable 1-2 years	50	30	50	50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2013

31. Subsidiaries

The following were subsidiaries at the end of the year and have all been included in the consolidated financial statements.

	Country of Incorporation	PMG % of Ordinary Shares	Nature of Business
Holding companies:			
Held Directly			
Parallel Media (Jersey) Ltd	Jersey	100%	Holding Company
Held Indirectly			
Parallel Media Group International Ltd	Jersey	100%	Holding Company
Parallel Media (Americas) Ltd	BVI	100%	Holding Company
Trading subsidiaries:			
Held directly:			
Parallel Media Hong Kong Ltd	HK	100%	Management of Sports Events
Parallel Media Group (Championships) Ltd	UK	100%	Management of Sports Events
Parallel Media Korea (New Media) Ltd	UK	100%	Smart Media
Classic Car Worldwide Ltd	UK	100%	Dormant
Parallel Media Group Asia	Singapore	100%	Management of Events
Held Indirectly			
Parallel Media Europe Ltd	UK	100%	Marketing of Sports Events
Parallel Smart Media UK Ltd	UK	100%	Marketing of Sports Events
PGAA Media Limited	BVI	83.9%	Exploitation and sale of commercial and broadcasting rights relating to golf tournaments
Held directly and indirectly			
Parallel Smart Media Limited	US	75%	Smart Media
Dormant : Held Indirectly			
Parallel Media Americas Inc	UK	100%	Dormant

AIA The Real Life: NOW Festival, South Korea, August 2014


lipe Aguilar, The Championship at Laguna National, Singapore, May 2014