Shaping the future

Annual Report 2018

DODS

Contents

Re-imagining business intelligence

Dods is a market leading business intelligence, data, media, training and events company. We have built a reputation for high quality, unbiased content across all of our products and services.

Dods' global reach enables customers across six continents and 50 countries to navigate the complex and changing UK and EU political and public sector management environments.

Commitment to our stakeholders

Through strategic market leadership, Dods' goal is to continue to attract and develop the brightest talent available, to provide value and innovation to the marketplace, and create capital enhancement for our shareholders. Our priorities are:

> Continue to invest in talent and process

> Own the market leading position in our sectors

> Focus on high value, repeat and forward sales

> Pursue capital-enhancing acquisitions

> Exploit speed-to-market opportunities

The power, quality and relevance of our reach

Premium Services

60,000 tailored business briefings delivered to our subscribers daily*

Over 30% of our premium services subscribers buy multiple products

100% coverage of Select Committees of the UK Parliament

50 million+ digital sources tracked in 70 languages

90% coverage of all EU Parliament sittings

Digital Channels

1.6 million page views of our latest content is consumed*

504,000 unique visitors create a targeted and engaged community*

3.3 million ad impressions deliver significant audiences to our paying customers*

294,715 social media followers

95,400 active digital media account holders

14 print and digital media brands

*12 month average as of March 2018

Face-to-Face Exchange

62,000+ professional attendees & delegates

653 training sessions conducted

55 summits, roundtables and receptions

40+ national government training programmes

279 briefings conducted

6 annual awards programmes

Fiscal year figures except where noted

Delivering value and growth

Our value proposition

Dods is uniquely positioned with its array of capabilities; providing enhanced and deep data packages, tailored curated content, expertise in political and public policy areas, and reach to target audiences into an end-to-end platform. This solution is both client-focused and high-tech enabled allowing Dods the ability to accommodate our client's bespoke needs whether they are on a daily, weekly or ad hoc basis.

This end-to-end platform, combined with Dods' unparalleled knowledge, credibility and reputation, convert to business-critical information and access to preferential markets like no other. Our end-to-end solution enables customers to drive focused growth, navigate regulatory change, mitigate risk, manage reputation and build strategic engagements.

Driving sustainable revenue through joined up solutions

Dods has become a premier outsource solutions provider for its clients, driving recurring revenues with higher contract values. By embedding ourselves in our clients' workflows, Dods' customers gain efficiency, speed-to-market and confidence in business critical decisions.

Client testimonials

"I'd like to thank you for an excellent event last night, which surpassed my expectations, and which was warmly received by all attendees. We had pretty much a full house of very senior people from across the Government."

SIMON GODFREY, CABINET OFFICE DIRECTOR, BT MAJOR & PUBLIC SECTOR

"Dods Monitoring services help us keep track of developments across Westminster and in the devolved nations. Through Dods Monitoring and Dods Events, we have also been able to enhance engagement with key stakeholders. For us, Dods is a key tool for engaging and keeping up-to-date with UK politics and the wider policy community."

REUBEN OVERMARK, POLICY AND RESEARCH MANAGER, ENGINEERING CONSTRUCTION INDUSTRY TRAINING BOARD

Performance and momentum

Selected KPIs

Subscription revenue (£m)

18	8.1
17	7.9
16	7.8
15	7.3

The annual recognised revenue relating to our subscription-based products and services.

Recurring revenue (£m)

18	12.1
17	11.2
16	10.9
15	9.2

The annual recognised revenue from subscriptions and multi-year contracts.

Repeat revenue (£m)

18	17.0
17	15.5
16	13.5
15	N/A

This is the total recognised revenue, as a brand loyalty metric, representing revenue from customers who have purchased our products and services year on year.

Total revenue (£m)

18	20.6
17	20.0
16	19.6
15	18.3

Total recognised revenue for the year including £4.0 million of non-core revenue the Group has ceased or replaced since FY2014 with the aim of improving revenue quality.

Future bookings (£m)

18	10.2
17	8.8
16	8.5
15	8.4

Total value of all contracted revenue relating to future financial years.

Gross margin %

18	41%
17	41%
16	38%
15	29%

Gross profit as a percentage of recognised revenue.

Adjusted* EBITDA (£m)

18	3.5
17	3.4
16	3.0
15	1.2

Earnings before interest, taxation, depreciation and amortisation which have been adjusted for non-recurring items.

DSO (days)

18	31
17	32
16	37
15	50

Number of days sales outstanding at year end.

Net cash (£m)

18	8.8
17	9.0
16	9.1
15	5.9

Cash and bank balances at year end. The Group has no borrowings.

Ecosystem and community alignment

POLITICAL NEWS & PARLIAMENTARIAN AND LEGISLATIVE COVERAGE

THE HOUSE · HOLYROOD · Trombinoscope · PoliticsHome · THE PARLIAMENT MAGAZINE · totalpolitics

MEDIA BRANDS

PUBLIC SECTOR AND SPECIALISATION

CSW · Public Technology.net · PublicAffairs News · TJ Training Journal

publictenders.net

Business Intelligence

Market intelligence, research and briefings, and Reputation Value Indexing provide contextualised high-value analysis to the FTSE 100, public affairs communities and other professionals.

Media

Our iconic brands bring together participants across political, public sector and client communities providing content and forum for key agendas facilitating continued dialogue and exposure to influencers, opinion leaders and decision makers.

Data Products

Critical and accurate data products allow our clients to navigate the speed of change around decision makers and opinion leaders in the political and public sectors.

Engagement

Health, technology, FTSE 100 and civil service communities and stakeholders come together for more than 300 conferences, summits, roundtables, and award programmes.

Knowledge Transfer

We engage embassies and national governments, civil servants, and many other public and private sector bodies in best practice training and bespoke programmes.

- Business/Consumer
- Competition
- Culture & Education
- Economic & Monetary
- Energy & Climate
- Environment
- Financial Services
- Food, Drink & Agriculture
- Foreign & Security
- Hazardous Substances
- Health & Pharma
- Human Rights & Development
- Infrastructure
- Institutional
- Internet & Telecoms
- Justice & Home Affairs
- Occupational Health & Safety
- Regional & Cohesion
- Research & Innovation
- Technology
- Trade
- Transport
- Utilities

DODS' CURRENT ECOSYSTEMS:

- UK Political and Public Sector
- EU Political and Public Sector
- German Political and Public Sector
- French Political and Public Sector
- UK Healthcare
- UK Defence and Security

Chairman's statement

This year, Dods Group has made important progress in achieving its priorities: developing an acquisition strategy and pipeline, adding talent and depth in growth areas of the business, creating forward momentum to fuel high-value organic growth, and recruiting a Group CEO to complete the on-going leadership team.

The Company reviewed its strategic position across the competitive landscape focusing on research, data analytics and digital content companies. This review led to the development of an acquisition pipeline with the aim of identifying targets with market leading capabilities in the provision of business-critical information services that may also add sector expertise or expand the geographical footprint of the business.

Subsequently, the Group acquired 30% of the enlarged issued share capital of Social 360 Limited (Social360) in November 2017 for £1.65 million in cash. Social360 was founded in 2009 by communications professionals, and provides comprehensive social media monitoring and reputation management products. Social360 provides products which are in demand by our clients and prospective customers and are also synergistic with our value proposition. Following the acquisition of Social360 two new proprietary Dods products were launched; Unifeye and Dods Signals.

For the fiscal year 2018, recurring revenues grew 8% to £12.0 million, subscriber retention rates were 94%, and future sales bookings increased 16% to £10.2 million creating double-digit sales growth momentum going into the new year. Total recognised revenue for the year was £20.6 million. Repeat sales increased 10% to £17.0 million, representing 83% of total recognised revenues.

Adjusted EBITDA was up slightly at £3.5 million compared to £3.4 million in the prior year. Dods' ability to generate cash remains strong. Cash conversion at the operational EBITDA level was 90% in the year resulting in a net cash balance of £8.8 million after investments of £2.2 million. The Company remains debt free.

Board Changes

The Board is pleased to announce Simon Presswell will join the Company as Group CEO and Executive Director with effect from 9 July 2018. As an accomplished CEO and leader, Simon has worked across a range of high growth transformative businesses with a focus on driving shareholder returns, executing acquisition strategies, and delivering superior customer experiences. Simon's relevant industry and acquisition experience make him well suited to lead the organisation going forward.

The Directors are also pleased to announce that Dr. David Hammond will be joining the Board as non-executive Chairman immediately following the AGM. Dr. Hammond is an experienced international businessman having served on the boards of listed companies both sides of the Atlantic, including ADT and American Medical Response. Latterly, he led the successful buyout and subsequent sale of British Car Auctions.

The Company will make further announcements regarding the new board appointments in due course, containing full details required by the AIM Rules for Companies.

On 29 November 2017 there were a series of Board changes. The Board welcomed two Non-Executive Directors, Angela Entwistle and Mark Smith. Angela brings an extensive corporate communications background and AIM-listed board experience to the organisation. Mark has a long- standing track record of executive management in the media and communications markets, and is a qualified Chartered Accountant in England and Wales.

Guy Cleaver, CEO and Executive Director, resigned from the Board after serving as CEO from 4 August 2016. The Company would like to thank Guy for his 16 years of service to the Company, and his contributions during a time of change in the organisation.

As also announced on 29 November 2017, Sir William Wells and Lord Adonis stepped down from the Board after serving as Non-Executive Directors from December 2010 and January 2011 respectively. Sir William served as Chairman of the Audit Committee during the time of the turnaround, and his experience and support to the business was invaluable during the re-shaping of the organisation. Lord Adonis brought significant industry and public-sector experience, providing valuable insight during a period of greatly changing times. We thank both of these Directors for their many contributions.

With the turnaround complete, the Group having been successfully re-positioned, and the senior management team now in place, I am announcing that I will be stepping down from the Board with effect from 1 August 2018, following the Annual General Meeting. It has been a privilege to work alongside the management and staff of Dods, and to serve as Chairman for the past four years.

Outlook
As a result of the positive response to new products, high subscriber retention rates and strong future sales bookings, the Group has significant run rate momentum coming out of FY2018 into the current financial year. The Board believes with the turnaround completed, the business transformation well underway and a new Group CEO to join in July, the Company is well positioned for organic and acquisitive growth.

I would like to thank our shareholders for their support and patience as we have developed Dods into a formidable competitor. Moreover, during the past year, our clients have demonstrated their loyalty and offered their valuable insights to our sales and client services teams for which I am grateful.

Lastly, I want to offer my immense gratitude to all of Dods' employees for their passion and commitment to excellence.

Cheryl C. Jones
Chairman
6 June 2018

Strategic Report

Addressing the data dilemma

Trusted and relevant business intelligence has always been critical to business growth, but never more so than in the digital age with a whole new 'trust dynamic' within the vast Big Data and digital spectrum.

90% of the world's data was created in the last two years

80% of the world's data today is unstructured

$15 million on average being lost by organizations as a result of poor data quality

61% of C-suite leaders say their companies decision-making is data driven

80% of data scientists time is used cleaning and preparing data

45% of data citizens say their reports lack quality data

COMPETITIVE POSITION

Dods is an unrivalled business intelligence, media, training and events company uniquely entrenched in all aspects of the UK and EU political, public sector and special policy area communities. Through our flagship media brands, including The House, PoliticsHome, Holyrood, the Parliament Magazine, Civil Service World and PublicTechnology, we provide unique routes between our communities enabling strategic engagement. Dods has built a reputation for high-quality, unbiased original content in each of its eco-systems which has resulted in dedicated audiences and a loyal client base.

The brands offer integrated campaigns that secure a continued stakeholder dialogue and consistent messaging across all activities on Dods' platforms. These engagements include high profile events from Civil Service Live & Awards to the MEP Awards, Westminster Briefings, NHS Expo, Public Sector ICT and a full portfolio of summits and round tables.

Our business intelligence, data solutions and targeted engagement converge into a single platform to help customers manage, influence and win business. This end-to-end solution provides critical decision support to our customers. By embedding into customer workflows, Dods help solve complex business challenges as an efficient single solution which provides speed-to-market customer benefit. Dods support 1/3 of FTSE 100 companies across a variety of industries.

Dods' client value model is geographically scalable and can be replicated across multiple ecosystems. The model allows us to align with our clients' areas of strategic business concerns and to promote capabilities at critical stages of their plans.

The flexibility of our end-to-end solutions allow Dods to align client priorities and promote their key issues and capabilities at the right time or at critical stages. To facilitate our customers as they navigate and influence their key audiences, Dods provides a single point of contact to coordinate eco-system expertise and access to markets.

ADDING A NEW DIMENSION

Trusted and relevant business intelligence has always been critical to business growth, but never more so than in the digital age with a whole new 'trust dynamic' within the vast Big Data and digital spectrum. Customers demand fewer more trusted suppliers to be more agile, changing as their business changes. We believe that we are uniquely positioned to address these requirements and grow our business alongside our customers and channel partners.

Our core data-insights driven intelligence and political and public sector consulting equip customers with knowledge critical to their business success — highlighting threats and opportunities in real-time. Whether it's public policy monitoring, political influencers or public tenders that present challenges or opportunities, our experts will tailor Dods Monitoring, Dods People, Research or Training services to get clients the vital information at the right time.

As our customers and potential clients react to the data dilemma, they demand fewer more trusted suppliers, suppliers to be more agile and to provide speed-to-market solutions for their business challenges. Moreover, according to analysts client spend in the Comms & PR industry is in excess of $30 billion globally, yet the industry has often struggled to prove a hard ROI. Investors who recognised the potential in MarTech and AdTech are flocking to PRTech now.

Understanding these market dynamics, Dods has invested in a market-leading PRTech company, Social360. Through proprietary products provided to Dods by Social360, Dods is uniquely positioned to address these changing market dynamics and grow our business alongside our customers and channel partners.

STRATEGIC INNOVATION

DODS Signals is a new social media listening service that is synergistic with our current information and monitoring subscription services. *DODS Signals* applies technology to automate data aggregation and customises social insights based on client-specific criteria established during an account manager-led discovery process.

Highly customisable and written by experts, our new *Unifeye* reputational intelligence reports highlight stakeholder perceptions and corporate reputation from over 50 million digital media sources in 70 languages, applying a sentiment score and tracking Reputation Value Index (RVI). Our *Unifeye* solution enables corporate communication professionals to switch focus from the non-core undertaking of data collection from digital sources to taking action based on critical insight.

Our solution allows clients teams to become more effective dealing with consistency of messaging, public perception and customer touch points across their organisations as inefficient silos are eliminated. As a result, client corporate messages reach audiences faster and are more authentic.

Breaking new ground with Dods services for high-growth areas

DODS PEOPLE PLUG-IN

Political and public sector data made available within the world's leading CRM, Salesforce

The CRM industry is set to grow 8% annually by 2025 with Salesforce leading the way as they aspire to their $60bn revenue target. As data contact management and third-party data provision explodes into an industry built entirely for the Salesforce platform, we have made the *DODS People* UK and EU enhanced political contact data available within the native platform. With no systems integration required, *DODS People* data packages utilise the unmatched reach and functionality of Salesforce to provide seamless contact management and analytics. While this is a highly sought-after solution for our current customer base, by promoting the *DODS People* plug-in in the Salesforce AppExchange, any user looking to engage with political stakeholders can purchase the product. This positions Dods well for extending the subscription model to include associated business intelligence on our future roadmap and supercharge our growth by utilising the Salesforce platform.

UNIFEYE

Reputation Value Index analysis

Technology disruptors are bringing big data and analytics that are transforming the communications industry. However, the misadventures of automation are many. Services that are purely algorithm-driven present a drain on resources and have failed to filter relevant usable intelligence. Our Reputation Value Index (RVI) takes the crucial human approach in curating and contextualising social content, building on the high-end trawling capabilities technology, with the analytical sophistication of a communications expert. RVI judges the authority and relevance of social media commentary from over 50 million digital sources in 70 languages, far beyond Facebook and Twitter. The resulting score reflects the holistic importance and influence of these sources to substantially impact an organisation's reputation. *Unifeye* uses proprietary ranking of sources coupled with AI; with the algorithm learning which stakeholders are particularly influential in different sectors, regardless of their reach. *Unifeye* adds a critical new dimension to allow clients to put real value on their reputation and manage it proactively.

DODS SIGNALS

Stakeholder digital intelligence

DODS Signals is an extension of our monitoring solution for executives, public affairs professionals and public sector managers who depend on usable intelligence to drive actions and decisions. *DODS Signals* can be configured as a standalone product, or customised as an extension to an existing subscription, through an account manager-led consultation. In addition to traditional sources, *DODS Signals* enables the tracking of social media profiles and interactions for over 5,000 political influencers. *DODS Signals* embodies our deep expertise for identifying information and key stakeholders across the complex political and public sector landscape, filtering for relevancy and highlighting implications of policy developments for specific organisations.

Shaping the future

Central to Dods' growth plans is the continued development of enterprise-wide sector expertise and market leading high value services which provide recurring revenues, repeat sales, superior client retention rates, and the development of an acquisition strategy.

REVENUE QUALITY AND VALUE

Steady subscription revenues with high client retention, and strong sector specific, content driven events and training, underpinned the robust growth of repeat revenues for FY2018.

Total revenue for the year was £20.6 million (2017: £20.0 million). Repeat revenues for FY2018 were £17.0 million; an increase of 10% over the prior year. Future bookings sold in FY2018 to be delivered in the future fiscal years were £10.2 million versus £8.8 million in the prior year, a 16% increase.

Subscriber revenues represent 40%, and total recurring revenues represent 59% of of the Company's total recognised revenue for FY2018. Subscriber retention levels are 94%.

SECTOR EXPERTISE

Dods has identified high potential growth sectors to further diversify and grow its client portfolio. These industry targets have been the focus of new marketing and sales client and sector based programmes, which include key account management teams who provide a single point of contact for clients and prospective customers. These additional growth sectors include energy, financial services, healthcare and pharma, high tech, and manufacturing. At 31 March 2018, these high potential sectors represented 31% of the Company's revenue.

Utilising the Company's end-to-end capabilities and cross selling programmes, the organisation has implemented ongoing initiatives designed to enhance the share of wallet with existing clients, and to offer perspective customers the opportunity to consolidate suppliers. For FY2018, 33% of Dods' revenue reflects client purchases of three or more services, 19% purchasing more than four services, and 9% purchasing more than five services. These higher value service relationships supported the strong gross margin of 41% continuing year over year.

PEOPLE AND SCALE

During FY2018, the Company consolidated all event programme management under a single Manging Director. This role was designed to bring accelerated growth, scalability, and flexibility to support both UK and EU environments. Additionally, the organisation expanded the training department skill base to provide greater capacity to service international markets. Revenues for the events services were £7.8 million: an 11% increase over the prior year, and training services were up 16% over prior year to £1.5 million.

Dods doubled its investment in the marketing function during the second half of FY2018. New management and talent was brought into the organisation to provide further specialisation in digital commercialisation, and to support organic and acquisitive growth opportunities. Digital revenues represent £8.5 million of total revenue, a 10% increase over the prior year. Print media was down £0.1 million to £1.8 million (2017: £1.9 million) with revenue from research, polling and ancillary services down £0.4 million to £0.9 million (2017: £1.3 million) as the Group concentrated on improving revenue quality as stated above. The Company will look to address this in the coming fiscal year.

In addition to the staff in London, Dods has well-established operational teams throughout its regional branches in Edinburgh, Brussels and Paris. Geographically, the Company's revenue is now 78% UK based, 18% EU based, with the balance of 4% being in the US and the ROW.

ACQUISITIONS AND INVESTMENTS

The acquisition strategy is designed to identify opportunities that provide access to new sectors or services, or bring adjacent core competencies to the business.

In FY 2018, the Group purchased 30% of the enlarged share capital of Social 360 Limited (Social360) for £1.65 million in cash with an option to purchase the balance of the current existing shares. Social360 is registered in the UK with offices in London and New York.

Following this transaction, the Group launched a new social media monitoring product branded *Dods Signals*, and a Reputation Value Index analysis service branded *Unifeye*. Dods and Social360 share a common view of the corporate communications marketplace. In particular, both share a dedication to providing critical information services on a real-time, daily and weekly basis which are comprehensive and highly tailored.

TECHNOLOGY AND COMPLIANCE

Expanding on the Cyber Essentials certification awarded in FY2016, Dods attained ISO7001 Information Security certification in FY2017. The annual audit for this certification, our processes, procedures and Information Security Management System (ISMS) was passed in January 2018.

Additionally, our ISO27001 framework forms the basis of our GDPR (General Data Protection Regulation) compliance. Dods has adopted the best practice of a risk-based approach to our handling of personally identifiable information. The organisation has reviewed its data handling processes and procedures, contractual terms and conditions, and extended our ISMS (Information Security Management System) in accordance with the GDPR legislation.

Cheryl C. Jones
Chairman
6 June 2018

CFO Review

During the year, the Group set its emphasis on developing an acquisition strategy and pipeline, enhancing the infrastructure for further organic and acquisition growth and increasing the talent pool of the Group to enable it to deliver on these priorities going forward. In addition, since 2014, the Group has replaced or ceased non-core operational revenue of £4.0 million with the aim of improving the quality of revenue by increasing recurring and repeat income streams.

ACQUISITION STRATEGY

As part of the Group's acquisition strategy, the Board continues to evaluate its options in terms of sector focus to create a balanced portfolio of services that is in line with market demand. The Group has been reviewing its strategic positioning across business critical information services, mapped out industry snapshots, identified industry trends and major players in the following sectors:

- Data
- Market Research
- Digital Media

In line with this, the Group aims to provide business critical information services to certain highly regulated sectors that have a natural propensity for buying such services and are adjacent and complimentary to its current offering.

In addition, it is looking to expand its digital distribution capabilities, further monetise its digital offering, and enhance its data analytics capabilities which will allow the Group to commercialise the vast amounts of data it owns.

REVENUE AND OPERATING RESULTS

For FY2018, subscription revenue for the year increased by £0.2 million to £8.1 million (2017: £7.9 million) with other recurring revenue of £4.0 million (2017: £3.3 million). Total recognised recurring revenue was £12.1 million (2017: £11.2 million) an increase of £0.9 million. Moreover, repeat revenue, which includes all recognised recurring revenue, was £17.0 million (2017: £15.5 million) an uplift of £1.5 million, illustrating the improvement in the quality of the Group's revenue.

The results for the year show total revenue of £20.6 million compared to £20.0 million for the previous year. Print media was down £0.1 million to £1.8 million (2017: £1.9 million) with revenue from research, polling and ancillary services down £0.4 million to £0.9 million (2017: £1.3 million) as the Group concentrated on improving revenue quality as stated above. The Company will look to address this in the coming fiscal year. Adjusted EBITDA was £3.5 million (2017: £3.4 million). Amortisation of intangible assets acquired through business combinations totalled £0.4 million (2017: £0.6 million) and amortisation of software was £0.5 million (2017: £0.4 million).

The statutory profit before tax for the year was £1.3 million (2017: £1.5 million) after non-recurring talent recruitment, acquisition related costs, redundancy and other costs of £1.0 million (2017: £0.2 million).

During this financial year the Group incurred a full annual rental cost and increased business rates for the London office. On a like for like comparison this equated to an increase of £0.5 million from the previous year.

PRINCIPAL RISKS AND UNCERTAINTIES

Risks	Mitigating Actions	Opportunity
Geo-Political Brexit negotiations, global political tensions and potential trade issues with the major trading blocs could cause uncertain economic conditions	Dods continues to focus on growing a diverse range of customers, in different markets, which helps to mitigate this risk	To be well positioned with a balanced portfolio of customers and markets
Technology Changes The markets in which Dods operates are constantly changing due to rapid technology advancements	Constant focus on efficiency programmes in service delivery platforms and increasing the quality of our content	As the volume of information grows, and becomes more readily available, there is a greater need for users to receive the type of curated information provided by Dods
Further migration of Print Advertising to Online An industry wide change	Dods continues to invest and develop in digital expertise and platforms	Further capitalise on our diverse brand portfolio
People Succession planning and potential single point of failure regarding key dependencies	Increased our talent and leadership capacity with key hires	We are implementing key employee engagement programmes
Data Storage/Cyber Attack Loss, integrity and breach of data.	Effective data management detailing where all business data is stored and how, together with ISO27001 Information Security Management System containing these controls. Intrusion detection monitoring software exists on our network	As part of implementing GDPR we are reviewing data stores, security, processes and procedures

Other operating Income

Income arising from litigation which was settled during the year.

Non-recurring items

During the year, the Group incurred £1.0 million of non-recurring costs (2017: £0.2 million). The largest expense of £0.4 million (2017: £nil) relates to mapping the competitive landscape, creating an acquisition database and research notes, an acquisition pipeline and enhancing market knowledge. A further £0.2 million (2017: £0.03 million) costs are for professional fees incurred on due diligence work.

Other major expense relates to redundancy/severance of £0.3 million (2017: £0.1 million) of which £0.2 million is due to the former CEO settlement and the balance relates to finalising legacy changes. The Group incurred £0.1 million (2017: £nil) of exceptional recruitment costs in the financial year.

TAXATION

Tax payments of £43,000 (2017: £60,000) relating to overseas operations were made during the year. The Group now forecasts UK tax charges going forward. Consequently, the tax charge for the year is £0.18 million (2017: credit of £16,000). Whilst the Group continues to seek to optimise its tax position going forward, it is expected that the effective tax rate will increase.

EARNINGS PER SHARE

Normalised earnings per share (before non-trading items, discontinued operations, share based payments credits, amortisation of intangible assets acquired through business combinations and associate income) was 0.74 pence (2017: 0.79 pence). Basic earnings per share was 0.33 pence (2017: 0.46 pence).

DIVIDENDS AND SHARE BUYBACK

The Directors do not propose to pay a dividend (2017: £nil). The Board, during the year, reflected on the opportunity to pay a dividend and elected not to as its current acquisition strategy will enable the Group to use any excess cash to fund capital enhancing acquisitions.

Regarding a share buyback scheme, having consulted its advisers, the Board decided not to implement one as again it decided there are opportunities to use excess cash more efficiently by funding earnings enhancing acquisitions.

ASSETS

Non-current assets consisted of goodwill and intangibles of £21.6 million (2017: £22.0 million), property, plant and equipment of £2.3 million (2017: £2.4 million), investments in associates of £1.7 million (2017: £nil) and long-term loans to associates of £0.7 million (2017: £0.2 million).

Inventories and trade receivables increased by £0.7 million to £3.5 m (2017: £2.8 million), largely because of increases in prepayments and other receivables. The Group had a cash balance of £8.8 million (2017: £9.0 million), and had no borrowings at the year end.

Current liabilities increased by £0.7 million to £9.2 million (2017: £8.5 million) as a result of increases in trade payables and accruals and deferred income in the year. There was no change in the deferred tax liability of £0.8 million (2017: £0.8 million).

Total assets of the Group were £38.5 million (2017: £36.5 million) with the main movements being the investments and loans to associates. Total equity increased by £1.3 million to £28.6 million (2017: £27.3 million) mainly reflecting the increase in retained profit for the year.

Liquidity and capital resources

Net interest and finance income during the 12 months amounted to £2,000 (2017: £19,000).

During the year, underlying cash conversion was in line with expectations. The Group generated £3.1 million (2017: £3.4 million) of cash from its operating activities.

The Group used £3.4 million in investing activities (2017: £3.1 million). £1.7 million was on the acquisition of a 30% stake in Social360, acquisition related costs of £0.5m (2017: £nil), a further long-term loan to associate Sans Frontieres Associates of £0.5 million (2017: £0.2 million), £0.3 million on property, plant and equipment (2017: £2.5 million) and investment in software and hardware for our technology platforms of £0.5 million (2017: £0.4 million).

Nitil Patel
Chief Financial Officer
6 June 2018

DIRECTOR'S REPORT

Director's report

Principal activities and business review
The Group's principal activity is the curation and aggregation of high quality information and data and the provision of services through a combination of online information and digital services, training courses, conferences and events, publications and other media. The Group operates primarily in the UK, Belgium and France and has market-leading positions in much of its portfolio. A review of the Group's performance during the year and its position at the year end, including commentary on its financial performance, likely future developments and prospects, is set out on pages 3 to 11 and should be read in conjunction with this Report. A description of the principal risks and uncertainties facing the Group can be found in this Report on page 10. The purpose of the Annual Report is to provide information to the members of the Company. The Annual Report contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve risk and uncertainty, since future events and circumstances can cause results and developments to differ from those anticipated. Nothing in this Annual Report should be construed as a profit forecast.

Results and dividends
The Group's financial results for the year are shown in the Consolidated Income Statement on page 24. The Board of Directors believe it is in the best interests of the Group to maintain its cash resources to execute on its growth strategy and therefore, as in previous years, has decided not to pay a dividend. The Board keeps this policy under review.

Financial instruments
Details of financial instruments can be found in notes 19 and 20 to the accounts.

Directors
The Directors who held office during the period and up to the date of signing these financial statements were:

Cheryl C. Jones	Non-executive Director and Chairman
Nitil Patel	Chief Financial Officer
Angela Entwistle	Non-executive Director (appointed 29 Nov 2017)
Diane Lees CBE	Non-executive Director
Mark Smith	Non – executive Director (appointed 29 Nov 2017)
Lord Adonis	Non-executive Director (resigned 29 Nov 2017)
Sir William Wells	Non-executive Director (resigned 29 Nov 2017)
Edward G Cleaver	Chief Executive Officer (resigned 29 Nov 2017)

DIRECTOR'S BIOGRAPHIES

Cheryl C. Jones (A)
Chairman, Non-Executive Director

Cheryl Jones is currently Non-Executive Chairman of AIM listed Caribbean Investments Holdings Limited, a financial services company, since 2007 and became Non-Executive Chairman in 2011. In May 2015, Cheryl became a director in Hawley Group Limited, a BSX listed company. She was previously Chairman of AIM listed Impellam Group plc, a managed services and specialist staffing company with revenues of £1.2 billion, having joined the Board in 2008 and serving as executive Chairman until November 2012. Cheryl was Chairman and CEO of OneSource Holdings Limited from 2001 to 2005 at which time it became AIM listed OneSource Services, Inc., a managed services and facility services company with revenues of $835 million. Cheryl served as CEO of OneSource Services, Inc. until the company was sold to a trade competitor in 2007. Throughout her career, Cheryl has held senior positions in strategic and transformational planning, marketing and programme development, and operational change management. She holds a BS in Management from Purdue University and a MBA from DePaul University. Cheryl was appointed as Non-Executive Director to the Board in May 2014 and was appointed as Non-Executive Chairman in September 2014.

Nitil Patel
Chief Financial Officer
Nitil Patel was previously Chief Finacial Officer of Ten Alps plc (rebranded Zinc Media plc) from July 2001 to June 2016. During this time, Nitil managed three divisions of the group, driving growth both organically and through a number of strategic acquisitions. He was a key member of the team from the very start of Ten Alps in 1999 as Finance Director and was responsible for its listing on AIM in 2001. He trained with Sayers Butterworth before joining TV production business Planet 24 Limited, where he worked as a financial accountant and on productions such as the Big Breakfast. Nitil is a member of the Institute of Chartered Accountants in England and Wales.

Angela Entwistle (A R)
Non-Executive Director
Angela Entwistle is a corporate communications specialist. Angela is currently Non-Executive Director of Impellam Group plc, an AIM quoted recruitment company and works with several private companies both in the UK and internationally. Previously, she was Corporate Communications Director for ADT Limited, a major US support services business, from 1986 to 1997 until its merger with Tyco International. Angela is involved in a number of charities including acting as Trustee of both Crimestoppers and Prospect Education Technology Trust. Angela joined the Dods Group plc Board on 29 November 2017. Angela is not considered to be independent due to her links with the major shareholder.

Diane Lees CBE (R)
Non-Executive Director
Diane Lees is the Director-General of Imperial War Museums, the cultural lead for the Centenary of the First World War, and is a Trustee of 14-18NOW, the Centenary's Cultural Programme. Diane is a Trustee of the IWM Development Trust, The Gerry Holdsworth Special Forces Trust, and the Army Museums Ogilby Trust. She serves as Vice President of the American Air Museum in Britain, is a member of the Women Leaders in Museums Network (WLMN), and sits on the Arts Council's external advice panel. Diane also serves as Chair of the National Museum Directors' Council (NMDC) and has appointments to both the University of Lincoln's Board of Governors and the University of Oxford Humanities External Advisory Board. Diane is currently chairing a review of the Higher Education Funding Council for England (HEFCE)'s Museums, Galleries and Collections Fund.

Mark Smith (A)
Non-Executive Director
Mark Smith is a media and communications expert, and a qualified Chartered Accountant in England and Wales. Mark served as Chief Operating Officer and Finance Director of Chime Communications from 1986 to 2017. Most recently he was Chairman and Managing Partner of Bell Pottinger and is currently Non-Executive Chairman of Holiday Extras, a major travel and leisure business. He joined the Dods Group plc Board on 29 November 2017.

A Member of the Audit Committee
R Member of the Remuneration Committee

DIRECTOR'S REPORT

DIRECTORS' INTERESTS

Details of the directors' interests (including those of their immediate families and any connected persons) in the share capital of the Company at the beginning and end of the year are set out below. Save as disclosed, no contracts or arrangements were entered into during the year or subsisted at the year-end in which a director had, directly or indirectly, a material interest which was significant in relation to the Group's business.

	Interest in ordinary shares		Interest in options over ordinary shares			
	At 01/04/17	At 31/03/18	At 01/04/17	Exercised	Cancelled	At 31/03/18
Cheryl C. Jones	5,315,000	5,315,000	–	–	–	–
Nitil Patel	100,000	100,000	–	–	–	–
Angela Entwistle (appointed 29.11.17)	–	–	–	–	–	–
Diane Lees CBE	40,800	40,800	–	–	–	–
Mark Smith (appointed 29.11.17)	–	–	–	–	–	–
Lord Adonis (resigned 29.11.17)	–	–	–	–	–	–
Sir William Wells (resigned 29.11.17)	2,472,000	–	–	–	–	–
Edward G. Cleaver (resigned 29.11.17)	649,000	–	1,000,000	(800,000)	(200,000)	–

Save as disclosed, none of the directors had any interest in the securities of the Company or any Subsidiary.

The market-price of a Company share during the 12 months was as follows: share price on 1 April 2017 12.88 pence; share price on 31 March 2018 13.75 pence; average share price during the year 13.21 pence.

Share listing

The Company's Ordinary shares are listed on the Alternative Investment Market (AIM: DODS), which is regulated by the London Stock Exchange.

Employee involvement

Dods aims to attract, retain and motivate its employees by encouraging and rewarding high performance, both on an individual and team contribution basis, through competitive remuneration and incentive arrangements. Efforts are made to provide employees with continuing opportunities to develop their full potential and advance to positions of greater responsibility by gaining the relevant skills and experience required to deliver upon both the Group's business objectives and the individual's own personal objectives. The Group is committed to providing equality of opportunity to all existing and prospective employees without unlawful or unfair discrimination. In addition, it is supportive of the employment and advancement of disabled persons. All operations within the Group actively encourage employee involvement and communication, both through regular employee briefings and by direct access to managers and directors at all levels.

Employee share schemes

Share options have been granted under two discretionary share incentive schemes for executive directors, senior management and key employees from those principal countries in which the Group operates. Further details of these share option schemes are set out in note 26 to the accounts.

Political and charitable donations

No charitable or political donations were made in the year (2017: £nil).

Retirement and rotation of Directors

Pursuant to the Company's Articles of Association, all Directors are subject to re-election at least every three years. The service contracts of the executive directors and the letters of appointment of the non-executive directors are available for inspection by shareholders at the Company's registered office during normal business hours.

Directors' and Officers' indemnity insurance

The Group has taken out an insurance policy to indemnify the directors and officers of the Company and its subsidiaries in respect of certain liabilities which may attach to them in their capacity as directors or officers of the Group, as far as permitted by law. This insurance policy subsisted throughout the year and remains in place at the date of this report. The Group has also given directors a limited indemnity as allowed under the Companies Act 2006.

Substantial shareholdings

As at 21 May 2018, the Company had been notified of the following interests in 3% or more of its issued share capital:

Lord Ashcroft	43.98%
Livingbridge VC LLP	20.01%
Sasqua Fields Capital Partners I LLC	8.98%
Artemis Investment Management	5.47%
Schroder Investment Management Limited	5.41%

Share capital

The issued share capital of the Company is 341,640,953 ordinary shares of £0.01 each.

Health, safety and environmental

The Chief Financial Officer and the Chief Technology Officer are responsible to the Board for the health, safety and environmental performance of the Group. Local management has been delegated responsibility for practical day-to-day compliance with relevant legislation at operating unit level. This includes the requirement for a local policy statement, the provision of appropriate related training as well as the communication to all employees of the need to create and maintain a safe and healthy working environment. In appreciating the importance of good environmental practice, Dods seeks to ensure that its operations and products cause minimum detrimental impact to the environment. The Group's objective is to comply with environmental legislation in all countries in which it operates and to promote effective environmental management throughout its business.

Directors' statement on disclosure of information to Auditors

The Directors confirm that, so far as each Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and the Directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

A resolution to reappoint Grant Thornton UK LLP as auditor and to authorise the directors to determine their remuneration will be proposed at the forthcoming AGM.

Annual General Meeting

The Annual General Meeting of the Company will be held on 01 August 2018 at the offices of Cenkos Securities plc in London, at which the directors will present their annual report together with the audited financial statements of Dods Group plc (the "Company") and its subsidiaries (together, the "Group") for the 12 months ended 31 March 2018.

The Notice of Meeting, Explanation of Special Business and a reply-paid Form of Proxy accompanies this document.

By Order of the Board
Cheryl C. Jones
Chairman
6 June 2018

Corporate governance

It is a requirement of Rule 26 of the AIM Rules for Companies that the Company's website contains details of the corporate governance code that Dods has decided to apply and how the Company complies with that code.

As a company listed on AIM, Dods is not required to comply with the UK Corporate Governance Code. The corporate governance code that the Directors have decided to apply instead, so far as it is reasonable and practical to do so given the size of the Group, is the Corporate Governance Code for Small and Mid-Size Quoted Companies (2013) produced by the Quoted Companies Alliance (the "QCA Code"). The Board notes that the QCA Code refers to certain minimum disclosures which must be seen to be addressed in order for a company to say that it complies with the QCA Code.

The Board

The Board currently comprises the Non-executive Chairman, the Chief Financial Officer and three Non-executive Directors. Short biographical details of each of the Directors are set out on page 13. The Board is responsible to the shareholders for the proper management of the Group and generally meets quarterly to set the overall direction and strategy of the Group.

The roles of Chief Executive Officer and Non-executive Chairman are intended to be separate and there will be a clear division of their responsibilities when there is again a Chief Executive Officer in office. All Directors are subject to re-election at least every three years.

BOARD COMMITTEES

Remuneration committee

The composition of the Remuneration Committee is disclosed on page 13 and comprises solely of Non-Executive Directors and the Chairman. The Remuneration Committee, on behalf of the Board, meets at least once per year as and when necessary to review and approve as appropriate the contract terms, remuneration and other benefits, and determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chief Executive, the Chairman, the Executive Directors, the Company Secretary and other senior management. The Remuneration Committee also approves the remuneration of senior management and remuneration plans for the Group as a whole as part of the budget.

The Remuneration Committee approves the setting of objectives for Executive Directors and authorises their annual bonus payments for achievement of objectives.

The Remuneration Committee aims to put in place remuneration packages that are sufficient to attract, retain and motivate Executive Directors required to run the Group successfully, but seeks not to pay more than is necessary for their services having regard to views of shareholders and other stakeholders.

The Remuneration Committee is empowered to review the grant of share options under the Group's share option plans, design of share incentive plans and determine whether awards will be made, and if so, the overall amount of such awards including the individual awards to Executive Directors and other designated senior executives. The Remuneration Committee considers there to be an appropriate balance between fixed and variable remuneration and between short-term and long-term variable components of remuneration. All the decisions of the Remuneration Committee on remuneration matters in the 12 months ended 31 March 2018 were reported to and endorsed by the Board.

Audit Committee

The Audit Committee comprises solely of Non-Executive Directors (they compose at least half of the Committee with at least one Non-Executive Director with recent and relevant financial and corporate experience) and the Chairman (in the absence of the Chief Executive Officer). By invitation, the meetings of the Audit Committee may be attended by the other Directors and the external auditor. The Committee meets not less than twice annually. The Audit Committee oversees the monitoring of the adequacy, integrity and effectiveness of the Group's internal controls, accounting policies and financial reporting and provides a forum for reporting by the Group's external auditor. Its duties include keeping under review the scope and results of the audit and its cost effectiveness, consideration of management's response to any major audit recommendations and the independence and objectivity of the auditor.

Company Secretary

The Company Secretary is responsible for advising the Board through the Non-executive Chairman on all governance issues. All Directors have access to the advice and services of the Secretary.

Attendance at Board and Committee meetings

The Directors attended the following Board and Committee meetings during the year ended 31 March 2018.

	Board	Remuneration	Audit
Total meetings held	**6**	**1**	**2**
Cheryl C. Jones	6	1	2
Nitil Patel	5	1	2
Angela Entwistle (appointed 29.11.17)	1	-	-
Diane Lees	6	-	-
Mark Smith (appointed 29.11.17)	1	-	-
Lord Adonis (resigned 29.11.17)	5	1	-
Edward G Cleaver (resigned 29.11.17)	2	-	-
Sir William Wells (resigned 29.11.17)	5	1	2

Relationships with shareholders

The Board recognises the importance of effective communication with the Group's shareholders to ensure that its strategy and performance is understood and that it remains accountable to shareholders. The Group communicates with investors through Interim Statements, audited Annual Reports, press releases and the Company's website www.dodsgroup.com. Shareholders are welcome at the Group's AGM, (notice of which is provided with this Report), where they will have an opportunity to meet the Board.

Internal controls

The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and will continue to ensure that management keeps these processes under regular review and improves them where appropriate.

Going concern

The Directors have reviewed the budget for the year ending 31 March 2019 and extended for a three month period to 30 June 2019 which has been adjusted to take account of the current trading environment. The Directors consider the forecasts to be prudent and have assessed the impact of them on the Group's cash flow, facilities and headroom within its banking covenants. Further, the Directors have assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities. Based on this work, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take into account the interests of the Group's stakeholders, including its investors, employees, suppliers and business partners when operating the business.

Employment

The Board recognises its legal responsibility to ensure the wellbeing, safety and welfare of its employees and to maintain a safe and healthy working environment for them and for its visitors.

Environment

By their nature the Group's regular operations are judged to have a low environmental impact and are not expected to give rise to any significant inherent environmental risks over the next 12 months.

By Order of the Board
Cheryl C. Jones
Chairman
6 June 2018

Director's Responsibilities Statement

The Directors are responsible for preparing the Strategic Report and 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 prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and have elected to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. 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 and profit or loss of the Company and Group for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AIM rule compliance report
Dods Group plc is traded on AIM and as a result the Group has complied with AIM Rule 31 which requires the following:

- sufficient procedures, resources and controls to enable its compliance with the AIM Rules;
- the Company to seek advice from Nominated Adviser ("Nomad") regarding its compliance with the Rules whenever appropriate and take that advice into account;
- the Company to provide the Nomad with any information it reasonably requests in order for the Nomad to carry out its responsibilities under the AIM Rules and the AIM Rules for Nominated Advisers, including any proposed changes to the Board and provision of draft notifications in advance;
- the Company to ensure that each of the Directors accepts full responsibility, collectively and individually, for compliance with the AIM Rules; and
- the Company to ensure that each Director discloses without delay all information which the Group needs in order to comply with AIM Rule 17 (Disclosure of Miscellaneous Information) insofar as that information is known to the Director or could with reasonable diligence be ascertained by the Director.

By Order of the Board
Cheryl C. Jones
Chairman
6 June 2018

Independent Auditor's report to the members of Dods Group plc

OUR OPINION ON THE FINANCIAL STATEMENTS IS UNMODIFIED

We have audited the financial statements of Dods Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company balance sheet, the company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2018 and of the group's profit 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 United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WHO WE ARE REPORTING TO

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.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OVERVIEW OF OUR AUDIT APPROACH

- Overall materiality: £160,000 which represents 5% of the group's preliminary adjusted earnings before interest, tax, depreciation and amortisation;
- Key audit matter was identified as impairment of intangible assets; and
- We performed full scope audit procedures on Dods Group plc and Dods Parliamentary Communications Limited, targeted procedures on revenue for Holyrood Communications Limited and analytical audit procedures on all other group entities.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER – GROUP	HOW THE MATTER WAS ADDRESSED IN THE AUDIT – GROUP
Impairment and of intangible assets and goodwill At the year end the group has £13.3m of goodwill (2017: £13.3m) and £6.9m of intangible assets acquired through business combinations (2017: £7.3m). Management is required to consider indicators of impairment in accordance with IAS 36 Impairment of Assets, and, for those with a useful economic life, to consider whether the asset is being amortised over an appropriate period. Under IAS 36, the group is required to perform a quantified impairment test annually for goodwill acquired in a business combination. There is a risk that the carrying value of the goodwill may be higher than the recoverable amount. The process of making the impairment assessment through forecasting cash flows, the determination of the appropriate discount rate and other assumptions to be applied can be highly judgemental and can significantly impact the results of the impairment review. We therefore identified the impairment of intangible assets as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • Assessing whether the stated accounting policy for impairment was compliant with IFRSs as adopted by the European Union and whether the group has accounted for amortisation in accordance with that policy, including whether it is consistent with the prior period; • Recalculating the amortisation charge for the year; • Obtaining management's impairment model and discounted cash flow forecasts and checking the mathematical accuracy of the model; • evaluating the reasonableness of information and assumptions included in the impairment model through our knowledge of the business; • assessing the appropriateness of the discount rate applied by management; • performing a sensitivity analysis on the forecasts; and • testing the accuracy of management's forecasting of cash flows through a comparison of budget to actual data for the year ended 31 March 2018. The group's accounting policy on impairment of intangible assets and goodwill is shown in note 1 to the financial statements and related disclosures are included in note 13. **KEY OBSERVATIONS** Our testing did not identify any material misstatements in the carrying value of the goodwill and other intangible assets. We found no reason for impairment of intangible assets or any additional factors to be considered that would affect the carrying value of intangible assets recognised within the financial statements.

We did not identify any Key Audit Matters in relation to the parent company.

INDEPENDENT AUDITOR'S REPORT

OUR APPLICATION OF MATERIALITY

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

MATERIALITY MEASURE	GROUP	PARENT
Financial statements as a whole	£160,000 which represents 5% of preliminary adjusted earnings before interest, tax, depreciation and amortisation. This benchmark is considered the most appropriate because this is a key measure used by management and shareholders in assessing the performance of the business and is a generally accepted audit benchmark.Materiality for the current year is lower than the level that we determined for the year ended 31 March 2017 as materiality was previously based on 1.5% of revenue. It was considered in the current year that an earnings based measure is more appropriate, as noted above it is a key measure used by management and shareholders.	Materiality was based on 2% of total assets, however this would result in a parent company materiality which is in excess of group materiality. Parent company materiality was therefore capped at £120,000 which is component materiality and represents 75% of group materiality.Materiality for the current year is lower than the level that we determined for the year ended 31 March 2017 to reflect the reduction in group materiality, and therefore accompanying decrease in component materiality.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.
Specific materiality	We also determined a lower level of specific materiality for certain areas such as Directors' remuneration and related party transactions.	We also determined a lower level of specific materiality for certain areas such as Directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£8,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£6,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

INDEPENDENT AUDITOR'S REPORT

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our audit approach was a risk-based approach founded on a thorough understanding of the group's business, its environment and risk profile and in particular included:

- Evaluation by the group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality. Significance of each component was determined by considering each as a percentage of the group's total assets, revenues and profit before taxation;
- As part of the planning process, assessing the group's internal processes and control environment. Dods Group plc has centralised processes and controls over the key areas of our audit focus. Group management are responsible for all judgemental processes and significant risk areas. A centralised finance team performs all accounting processes and we tailored our audit response accordingly with all audit work being undertaken by the group audit team;
- Performing a full scope audit of Dods Group plc and Dods Parliamentary Communications Limited. Work on Dods Parliamentary Communications Limited was performed to component materiality which was capped at group performance materiality. Targeted procedures on revenue were performed in relation to Holyrood Communications Limited due to revenue for this company being in excess of 5% of group revenues;
- The total percentage coverage of audit procedures over revenue, including both full scope entities and those subject to targeted procedures was 96% and profit before tax was 98%;
- The total percentage coverage of full scope audit entities over total assets was 93%;
- Analytical procedures were performed on Fenman Limited, Total Politics Limited and Le Trombinoscope SAS; and
- Our audit approach was fully substantive in nature and consistent with the 2017 approach.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 1 to 18, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OUR OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006 IS UNMODIFIED

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which 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

RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the directors' responsibilities statement set out on page 18, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Sergio Cardoso
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
6 June 2018

FINANCIAL STATEMENTS

Financial statements

Consolidated income statement

for the year ended 31 March 2018

	NOTE	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Revenue	3	**20,586**	19,965
Cost of sales		**(12,239)**	(11,729)
Gross profit		**8,347**	8,236
Administrative expenses		**(5,286)**	(4,835)
Other operating income	4	**444**	–
Adjusted EBITDA		**3,505**	3,401
Depreciation of tangible fixed assets	15	**(357)**	(301)
Amortisation of intangible assets acquired through business combinations	14	**(408)**	(584)
Amortisation of software intangible assets	14	**(466)**	(368)
Non-recurring items	5		
Non-recurring acquisition research costs and professional fees		**(557)**	(28)
Talent costs		**(110)**	–
Other non-recurring items		**(308)**	(193)
Operating profit		**1,299**	1,927
Net finance costs	9, 10	**21**	(380)
Share of loss of associate		**(9)**	–
Profit before tax	6	**1,311**	1,547
Income tax charge	11	**(182)**	16
Profit for the year attributable to equity holders of parent company		**1,129**	1,563
Profit per share			
Basic	12	**0.33 p**	0.46 p
Diluted	12	**0.33 p**	0.46 p

Consolidated statement of comprehensive income

for the year ended 31 March 2018

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Profit for the year	**1,129**	1,563
Items that will be subsequently reclassified to Profit and Loss		
Exchange differences on translation of foreign operations	**95**	(86)
Other comprehensive loss for the year	**95**	(86)
Total comprehensive income in the year attributable to equity holders of parent company	**1,224**	1,477

The notes on pages 28 to 51 form part of these financial statements.

Consolidated statement of financial position

for the year ended 31 March 2018

	NOTE	31 MARCH 2018 £'000	31 MARCH 2017 £'000
Non-current assets			
Goodwill	13	**13,282**	13,282
Investment in associates	17	**1,684**	–
Intangible assets	14	**8,308**	8,711
Property, plant and equipment	15	**2,327**	2,423
Long term loan receivable	17	**700**	200
Total non-current assets		**26,301**	24,616
Current assets			
Inventories	18	**12**	35
Trade and other receivables	20	**3,469**	2,805
Cash and cash equivalents	20	**7,491**	7,767
Restricted cash held in deposit account	20	**1,266**	1,266
Total current assets		**12,238**	11,873
Total assets		**38,539**	36,489
Capital and reserves			
Issued capital	24	**17,096**	17,088
Share premium		**8,142**	8,105
Other reserves		**409**	409
Retained profit		**2,913**	1,784
Share option reserve		**44**	36
Translation reserve		**(59)**	(154)
Total equity		**28,545**	27,268
Current liabilities			
Trade and other payables	21	**9,231**	8,458
Total current liabilities		**9,231**	8,458
Non-current liabilities			
Deferred tax liability	23	**763**	763
Total non-current liabilities		**763**	763
Total Equity & Liabilities		**38,539**	36,489

The accompanying notes on pages 28 to 51 form an integral part of this consolidated statement of financial position.

These financial statements were approved by the Board of Directors and were signed on its behalf by:

Nitil Patel
Chief Financial Officer
6 June 2018

Consolidated statement of changes in equity

for the year ended 31 March 2018

	SHARE CAPITAL £'000	SHARE PREMIUM £'000	MERGER RESERVE £'000	RETAINED EARNINGS £'000	TRANSLATION RESERVE £'000	SHARE OPTION RESERVE £'000	**TOTAL SHAREHOLDERS' FUNDS £'000**
At 1 April 2016	17,083	8,057	409	221	(68)	27	**25,729**
Total comprehensive income							
Profit for the year	–	–	–	1,563	–	–	**1,563**
Other comprehensive loss							
Currency translation differences	–	–	–	–	(86)	–	**(86)**
Share based payment	–	–	–	–	–	9	**9**
Transactions with the owners							
Exercise of share options	–	–	–	–	–	–	**–**
Issue of ordinary shares	5	48	–	–	–	–	**53**
At 31 March 2017	**17,088**	**8,105**	**409**	**1,784**	**(154)**	**36**	**27,268**
Total comprehensive income							
Profit for the year	–	–	–	1,129	–	–	**1,129**
Other comprehensive loss							
Currency translation differences	–	–	–	–	95	–	**95**
Share based payment	–	–	–	–	–	8	**8**
Transactions with the owners							
Issue of ordinary shares	8	37	–	–	–	–	**45**
At 31 March 2018	**17,096**	**8,142**	**409**	**2,913**	**(59)**	**44**	**28,545**

The accompanying notes on pages 28 to 51 form an integral part of these financial statements.

FINANCIAL STATEMENTS

Consolidated statement of cash flows

for the year ended 31 March 2018

	NOTE	**YEAR ENDED 31 MARCH 2018 £'000**	YEAR ENDED 31 MARCH 2017 £'000
Profit for the year		**1,129**	1,563
Depreciation of property, plant and equipment	15	**357**	301
Amortisation of intangible assets acquired through business combinations	14	**408**	584
Amortisation of other intangible assets	14	**466**	368
Share based payments charge	26	**8**	9
Net finance costs	9, 10	**21**	380
Non-recurring acquistion research costs and professional fees	5	**557**	–
Income tax charge/(credit)		**182**	(16)
Operating cash flows before movements in working capital		**3,128**	3,189
Change in inventories	18	**23**	6
Change in trade and other receivables		**(664)**	(615)
Change in trade and other payables		**671**	897
Cash generated by operations		**3,158**	3,477
Taxation paid		**(43)**	(60)
Net cash from operating activities		**3,115**	3,417
Cash flows from investing activities			
Interest and similar income received	9	**2**	19
Non-recurring acquisition research costs and professional fees	5	**(557)**	–
Investment in associate	17	**(1,650)**	–
Acquisition to property, plant and equipment	15	**(261)**	(2,530)
Additions to intangible assets	14	**(471)**	(411)
Long term loan	17	**(500)**	(200)
Net cash used in investing activities		**(3,437)**	(3,122)
Cash flows from financing activities			
Proceeds from issue of share capital		**45**	53
Foreign exchange contracts		**–**	(399)
Interest and similar expenses paid		**–**	–
Net cash used in financing activities		**45**	(346)
Net decrease in cash and cash equivalents		**(277)**	(51)
Opening cash and cash equivalents		**9,033**	9,083
Effect of exchange rate fluctuations on cash held		**1**	1
Closing cash at bank		**8,757**	9,033
Cash and cash equivalents		**7,491**	7,767
Restricted cash held in deposit account		**1,266**	1,266
Closing cash at bank		**8,757**	**9,033**

The accompanying notes on pages 28 to 51 form an integral part of these financial statements.

FINANCIAL STATEMENTS

Notes to the financial statements

31 March 2018

1. STATEMENT OF ACCOUNTING POLICIES

Dods Group plc is a Company incorporated in England and Wales.

The consolidated financial statements of Dods Group plc have been prepared and approved by the directors in accordance with International Financial Reporting Standards as endorsed by the International Accounting Standards Board and as adopted by the EU ("adopted IFRS"). The Company has elected to prepare its parent company financial statements in accordance with FRS 102; these are presented after the notes to the consolidated financial statements.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent company financial statements present information about the Company as a separate entity and not about its group.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements. Judgements made by the directors in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Standards adopted

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2017 that have had a material impact on the Group.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules, except for goodwill which is stated at the lower of previous carrying value and fair value less costs to sell.

The following Group entities are exempt from audit by virtue of Section 479A of the Companies Act 2006. Dods Group plc has provided statutory guarantees to the following entities in accordance with Section 479C of the Companies Act 2006:

Fenman Limited

Total Politics Limited

Holyrood Communications Limited

Going Concern

The Group had net current assets as at 31 March 2018 of £3.01 million (2017: £3.42 million). The Directors have considered the implications for Going Concern below, for a period of at least twelve months from the signing of these accounts.

The Board remains satisfied with the Group's funding and liquidity position.

The Board remains mindful regarding the uncertainties inherent in the current economic conditions. The Group's forecasts and projections, taking account of reasonable changes in trading performance given these uncertainties, show the Group operating within its current cash flow with significant headroom going forward.

On the basis of these forecasts, and given the level of available cash, the Board has concluded that the going concern basis of preparation continues to be appropriate.

Further information on the Group's business activities, together with factors likely to affect its future development, performance and position are set out in the Business and Financial review on pages 3 to 11, and in the Directors' Report on pages 12 to 15. In addition, note 19 sets out the Group's objectives, policies and processes for managing its capital, financial risks, financial instruments and hedging activities, and its exposures to credit and liquidity risk.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control is achieved where the Group is exposed, or has rights to variable returns and has the ability to affect those returns. The results of subsidiaries acquired or sold are included in the consolidated financial statements from the date control commences to the date control ceases. Where necessary, adjustments are made to the results of the acquired subsidiaries to align their accounting policies with those of the Group. All intra-group transactions, balances, income and expenditure are eliminated on consolidation.

Business combinations

Business combinations are accounted for using the acquisition method at the acquisition date, which is the date on which control is transferred to the Group. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill as the fair value of the consideration transferred (including the fair value of any previously-held equity interest in the acquiree) and the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as at the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Revenue recognition – sale of goods

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes, and provisions for returns and cancellations.

Revenue on books or magazines provided for clients is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, at the point of delivery, and the amount of revenue can be measured reliably.

Revenue recognition – sale of services

Revenue in respect of subscription-based services, including online services and licensing, is recognised on a straight-line basis over the period of subscription or licence. The unrecognised element is carried within creditors as deferred revenue.

Revenue in respect of advertising services is recognised on publication. Where publications are printed and distributed in more than one volume, the fair value of the revenue attributable to each volume is recognised as it is distributed.

Where long term training is provided together with training materials, the fair value of the materials provided to delegates is recognised as revenue upon distribution. The remaining revenue is recognised in stages as courses occur.

When long term training programmes are designed on a client's behalf, revenue relating to the conception, set-up and design of the programme is recognised when the first event occurs. Revenue in relation to the organisation and administration of the programme is recognised over the programme's life.

Revenue on all one-off events and conferences is recognised as they occur. Cash received in advance and directly attributable costs relating to future events are deferred. Losses anticipated at the balance sheet date are provided in full.

Leases

When the Group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease or similar hire purchase contract. All other leases are treated as operating leases.

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

Lease incentives are recognised in the income statement as an integrated part of the total lease expense.

FINANCIAL STATEMENTS

Post-retirement benefits – defined contribution
The Group contributes to independent defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

Share based payment
The Group operates a number of equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense with a corresponding increase in equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, but excluding the impact of any non-market related vesting conditions. Non-market related vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

Deferred tax is recognised where it is probable that tax relief will be available on the difference between exercise price and market price at the balance sheet date.

Non-recurring items
Non-recurring items are items which in management's judgement need to be disclosed by virtue of their size, incidence or nature. Such items are included within the income statement caption to which they relate and are separately disclosed either in the notes to the consolidated financial statements or on the face of the consolidated income statement.

Non-recurring items are not in accordance with any specific IFRS definition and therefore may be different to other companies' definition of non-recurring items.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is based on taxable profit for the year and any adjustment to tax payable in respect of previous years. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group's assets and liabilities for current tax are calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax nor the accounting profit other than in a business combination.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates enacted or that are expected to apply (substantively enacted) at the balance sheet dated when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority or the Group intends to settle its current tax assets and liabilities on a net basis.

Goodwill
Goodwill represents the difference between the cost of acquisition of a business and the fair value of identifiable assets, liabilities and contingent liabilities acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable. Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units and is tested annually for impairment. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

Intangible assets
Intangible assets acquired by the Group are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised on a straight-line basis over their useful lives in accordance with IAS 38 Intangible Assets. Assets are not revalued. The amortisation period and method are reviewed at each financial year end and are changed in accordance with IAS 8 Accounting Policies, "Changes in Accounting Estimates and Errors" if this is considered necessary. The estimated useful lives are as follows:

Publishing rights	10-75 years (one specific right is deemed to have a UEL of 75 years)
Brand names	15-20 years
Customer relationships	1-8 years
Customer list	4 years
Order books	1 year
Other assets	1 year

Software which is not integral to a related item of hardware is included in intangible assets and amortised over its estimated useful lives of between 4-6 years. The salaries of staff employed in the development of new software relating to our information services products, and salaries of staff employed in building our digital platform architecture within the Group are capitalised into software.

Impairment
The carrying amounts of the Group's intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill the recoverable amount is estimated each year at each balance sheet date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. 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 or amortisation, if no impairment loss had been recognised.

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Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is provided to write off the cost less estimated residual value of property, plant and equipment by equal instalments over their estimated useful economic lives as follows:

Leasehold improvements	Over the shorter of the life of the asset or lease period
Equipment, fixtures and fittings	3-7 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Inventories, work in progress and long term contracts
Inventories are stated at the lower of cost and net realisable value. Work in progress consists of internal and third-party editorial and production costs prior to print, which are capitalised for new publications and substantial updates of continuing publications. Work in progress is valued at the lower of cost and net realisable value being the recoverable amount based on anticipated forward sales from the first print run. Inventories are expensed through cost of sales.

Cash
Cash includes cash on hand and in banks. Cash in banks earn interest at the respective bank deposit rates.

Restricted cash deposits relate to accounts where withdrawals are restricted under contractual agreements. This amounts to £1,266,000 (2017: £1,266,000) in the current year and relates to a rental deposit held in the Group's name which is subject to a guarantee in favour of the landlord of the London premises of the group.

Provisions
A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Financial liabilities and equity instruments
Financial assets and financial transactions are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities, and includes no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group, and, where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Foreign currencies
The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds sterling, which is the presentation currency of the Group.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated but remain at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the income statement for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period ended on the balance sheet date. Exchange rate differences arising, if any, are recognised directly in equity in the Group's translation reserve. Such translation differences are recognised as income or as expense in the income statement in the period in which the operation is disposed of.

Associated companies
Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associate over the Group's share of the fair value of the identifiable net assets of the associate and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Gains and losses arising from partial disposals or dilutions in investments in associated companies are recognised in profit or loss. Investments in associated companies are derecognised when the Group loses significant influence. Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained investment at the date when significant influence is lost and its fair value is recognised in profit or loss.

Financial assets
Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as trade and other receivables and cash and cash equivalents on the balance sheet.

Impairment
The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

FINANCIAL STATEMENTS

2. ACCOUNTING ESTIMATES, JUDGEMENTS AND ADOPTED IFRS NOT YET EFFECTIVE

The key assumptions concerning the future and other key sources of estimation and judgements at the balance sheet date that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Capitalisation of internal costs and assessment of their future recoverability

Management has capitalised costs incurred in relation to the development of internally generated intangible assets. The main area where costs have been capitalised has been summarised below:

i) Development of software

The salaries of staff employed in the development of new software within the Group have been capitalised into software, within other intangible assets. These development costs are then expensed over the estimated useful life of the software, being 4-6 years.

Management estimate the extent to which internally generated intangibles will be recovered by assessing future earnings. This is based on past revenue performance and the likelihood of future releases. Future sales performance varies from such assessments and changes to provisions against specific publications may be necessary.

b) Intangible assets

When the Group makes an acquisition, management review the business and assets acquired to determine whether any intangible assets should be recognised separately from goodwill. If such an asset is identified, it is valued by discounting the probable future cash flows expected to be generated by the asset over the estimated life of the asset. Where there is uncertainty over the amount of economic benefit and the useful life, this is factored into the calculation. Judgements and estimations are also used by the Directors for the value in use calculation for impairment purposes of goodwill and other intangible assets. Details of goodwill and intangible assets are given in notes 13 and 14.

c) Investments

The Group takes into account the power over its investee, its exposure and rights to variable returns from its involvement with the investee, and its ability to use the power over the investee to affect the amount of the investor's return to determine whether the investment is treated as an associate or a controlling interest. See note 17 for further details.

d) Recoverability of trade receivables

Trade receivables are reflected net of estimated provisions for doubtful accounts. This provision is based on the ageing of receivable balances and historical experience. Details of trade receivables are given in note 19.

e) Deferred tax

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised with consideration given to the timing and level of future taxable income. Details of deferred tax are given in note 23.

Details of judgements and estimates in relation to the impairment of goodwill are given in note 13.

Adopted IFRS not yet applied

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards which have been published but are only effective for our accounting periods beginning on or after 1 April 2018 or later periods. These new pronouncements are listed below:

• IFRS 15 'Revenue from Contracts with Customers' (effective periods beginning on or after 1 January 2018); IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. Management has started to assess the impact of the new Standard, and has identified that the accounting treatment of customer contracts will not be affected.

• IFRS 9 'Financial Instruments' (effective periods beginning on or after 1 January 2018); IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9. These changes are effective for the Group's year ending 31 March 2019: and

• IFRS 16 'Leases' (effective periods beginning on or after 1 January 2019); IFRS 16 requires the recognition of the majority of lease assets and liabilities by lessees on the balance sheet and is effective for the Group's year ending 31 March 2020. The Group is currently evaluating the impact of the adoption of this standard on its financial position and operating results. The profile of the Group's principal leases is shown in note 25.

The Company has considered the other new standards, interpretations and amendments to published standards that are effective for the Group and concluded that they are either not relevant to the Group or that they would not have a significant impact on the Company's financial statements

The Group continues to monitor the potential impact of other new standards and interpretations which may be endorsed by the European Union and require adoption by the Group in future accounting periods.

3. SEGMENTAL INFORMATION

Business segments

The group considers that it has one operating business segment, being the provision of key information and insights into the political and public policy environments around the UK and European Union. This is the basis on which operating results are reviewed and resources allocated by the Chief Operating Decision Maker and senior management team.

The Group's principal activity is the curation and aggregation of high quality information and data and the provision of services through a combination of online information and digital services, training courses, conferences and events publications and other media. The Group operates primarily in the UK, Belgium and France and has market-leading positions in much of its portfolio. These products and services can be paired and bundled to provide solutions.

No client accounted for more than 10% of total revenue.

Geographical segments

The following table provides an analysis of the Group's performance and assets by geographical market. Segment revenue is based on the geographical location of customers and segment assets on the basis of location of assets.

	REVENUE BY GEOGRAPHICAL MARKET		CARRYING AMOUNT OF SEGMENT ASSETS		ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	
	YEAR ENDED 31 MAR 2018 £'000	YEAR ENDED 31 MAR 2017 £'000	**YEAR ENDED 31 MAR 2018 £'000**	YEAR ENDED 31 MAR 2017 £'000	**YEAR ENDED 31 MAR 2018 £'000**	YEAR ENDED 31 MAR 2017 £'000
UK	**16,469**	15,972	**38,413**	36,711	**732**	2,923
Rest of world	**4,117**	3,993	**126**	138	**–**	18
Continuing operations	**20,586**	19,965	**38,539**	36,849	**732**	2,941

Operating segments

The following table provides an analysis of the Group's performance by revenue stream.

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH2017 £'000
Contracted	**12,480**	12,018
Subscription	**8,106**	7,947
Total	**20,586**	19,965

4. OTHER OPERATING INCOME

Other operating income of £444,000 arises from litigation which was settled during the year.

5. Non-recurring items

	YEAR ENDED 31 MAR 2018 £'000	YEAR ENDED 31 MAR 2017 £'000
Non-recurring acquistion research costs and professional fees	**557**	28
Talent costs	**110**	–
Other		
Redundancy and people related costs	**275**	76
Legacy IT related costs	**–**	106
Office relocation	**–**	11
Other	**33**	–
	975	221

Redundancy and people related costs represent the effect of a Group initiative to appropriately restructure the business and reduce costs.

Legacy IT software maintenance costs reflect payments required to bring our software maintenance agreements up to date.

Acquisition costs reflect the costs incurred to date in line with the Groups acquisition strategy.

Talent costs relate to the recruitment of senior management for roles which have been newly created within the Group.

6. Profit before tax

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Profit before tax has been arrived at after charging:		
Depreciation of property, plant and equipment	**357**	301
Amortisation of intangible assets acquired through business combinations	**408**	584
Amortisation of other intangible assets	**466**	368
Staff costs (see note 8)	**8,817**	8,694
Non–recurring items (see note 5)	**975**	221
Net finance costs	**(21)**	399
Operating lease charge	**1,137**	722

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Auditors' remuneration:		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**17**	15
Fees payable to the Company's auditor and its associates for other services:		
The audit of the Company's subsidiaries, pursuant to legislation	**48**	55
Non-audit services in relation to corporate finance transactions	**147**	–
	212	70

7. Directors' remuneration

The remuneration of the directors of the Company for the year ended 31 March 2018 is set out below:

	SALARIES	FEES	PENSION CONTRIBUTIONS	BENEFITS	COMPENSATION FOR LOSS OF OFFICE	YEAR ENDED 31 MARCH 2018	YEAR ENDED 31 MARCH 2017
	£	£	£	£	£	**£**	£
Executive directors							
Guy Cleaver (Resigned 29th November 2017)	130,000	–	–	1,481	111,250	**242,731**	129,660
Nitil Patel (Joined 5th September 2016)	155,000	–	20,000	1,116	–	**176,116**	100,627
Non-executive directors							
Cheryl C. Jones^	25,000	–	–	1,642	–	**26,642**	26,620
Angela Entwistle^^ (Appointed 29th November 2017)	10,307	–	–	–	–	**10,307**	–
Diane Lees	25,000	–	–	–	–	**25,000**	14,247
Mark Smith (Appointed 29th November 2017)	18,333	–	–	–	–	**18,333**	–
The Lord Adonis (Resigned 29th November 2017)	30,000	–	–	–	–	**30,000**	30,000
Sir William Wells (Resigned 29th November 2017)	40,000	–	–	–	–	**40,000**	40,000
Total	433,640	–	20,000	4,239	111,250	**569,129**	341,153

The current Directors and their interests in the share capital of the Company at 31 March 2018 are disclosed within the Directors' Report.

^See related party transactions note 27.

^^The £10,307 (2017: £nil) paid for the services of Angela Entwistle as a Non-Executive Director is paid to Anne Street Partners Limited (now Deacon Street Partners Limited).

The remuneration of the directors of the Company for the year ended 31 March 2017 is set out below:

	SALARIES	FEES	PENSION CONTRIBUTIONS	BENEFITS	COMPENSATION FOR LOSS OF OFFICE	YEAR ENDED 31 MARCH 2017
	£	£	£	£	£	**£**
Executive directors						
Guy Cleaver (appointed 4th August 2016)	128,219	–	–	1,441	–	**129,660**
Nitil Patel (appointed 5th September 2016)	88,329	–	11,667	631	–	**100,627**
Non-executive directors						
Sir William Wells	40,000	–	–	–	–	**40,000**
The Lord Adonis	30,000	–	–	–	–	**30,000**
Diane Lees (appointed 5th September 2016)	14,247	–	–	–	–	**14,247**
Cheryl C. Jones ^	25,000	–	–	1,620	–	**26,620**
Total	325,795	–	11,667	3,692	–	**341,153**

8. Staff costs

The average number of persons employed by the Group (including executive directors) during the period within each category was:

	YEAR ENDED 31 MARCH 2018	YEAR ENDED 31 MARCH 2017
Editorial and production staff	**127**	123
Sales and marketing staff	**42**	41
Managerial and administration staff	**33**	32
	202	196

The aggregate payroll costs in respect of these employees (including executive directors) were:

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Wages and salaries	**7,797**	7,691
Social security costs	**962**	944
Pension and other costs	**50**	50
Share based payment charge	**8**	9
	8,817	8,694

9. Finance income

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Bank interest receivable	**2**	19

10. Financing costs

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Net foreign exchange (gains)/losses	**(23)**	399

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11. Taxation

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Current tax		
Current tax on income for the year at 19 % (2017: 20%)	**162**	60
Adjustments in respect of prior periods	**–**	–
	162	60
Overseas tax		
Current tax expense on income for the year at 19 % (2017: 20%)	**20**	–
Total current tax expense	**182**	60
Deferred tax (see note 23)		
Origination and reversal of temporary differences	**98**	(36)
Effect of change in tax rate	**(12)**	(40)
Adjustments in respect of prior periods	**(86)**	–
Total deferred tax income	**–**	(76)
Total income tax charge/(credit)	**182**	(16)

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Income tax reconciliation		
Profit before tax	**1,311**	1,547
Notional tax charge at standard rate of 19% (2017: 20%)	**246**	309
Effects of:		
Expenses not deductible for tax purposes	**(2)**	135
Non-qualifying depreciation	**121**	
Accelerated capital allowances and temporary differences	**–**	(40)
Adjustments to tax charge in respect of prior periods	**(87)**	(250)
Research and development claim	**(74)**	(67)
Deferred tax recognised	**(22)**	(128)
Utilisation of tax losses and tax credits	**–**	25
Total income tax charge/(credit)	**182**	(16)

12. Earnings per share

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Profit attributable to shareholders	**1,129**	1,563
Add: non-recurring items net of tax	**975**	221
Add: amortisation of intangible assets acquired through business combinations	**408**	584
Add: net exchange losses	**23**	331
Add: share based payment	**8**	9
Adjusted profit attributable to shareholders post tax	**2,543**	2,708

	YEAR ENDED 31 MARCH 2018 ORDINARY SHARES	YEAR ENDED 31 MARCH 2017 ORDINARY SHARES
Weighted average number of shares		
In issue during the year – basic	**341,524,286**	340,840,953
Adjustment for share options	**250,000**	1,250,000
In issue during the year – diluted	**341,774,286**	342,090,953
Earnings per share on continuing operations		
Basic	**0.33 p**	0.46 p
Diluted	**0.33 p**	0.46 p
Adjusted earnings per share on continuing operations		
Basic	**0.74 p**	0.79 p
Diluted	**0.74 p**	0.79 p

13. Goodwill

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Cost and Net book value		
Opening balance	**13,282**	13,282
Closing balance	**13,282**	13,282

Goodwill acquired in a business combination is allocated at acquisition to the cash–generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill has been allocated as follows:

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Dods	**13,282**	13,282
	13,282	13,282

Goodwill is not amortised but tested annually for impairment with the recoverable amount being determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rate, growth rates and forecasts of income and costs.

The Group assessed whether the carrying value of goodwill was supported by the discounted cash flow forecasts of the Group based on financial forecasts approved by management covering a five year period, taking in to account both past performance and expectations for future market developments. Management has used a five year model using an underlying growth rate of 5%. Management estimates the discount rate using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to media businesses.

The impairment charge was £nil (2017: £nil).

CGU

The recoverable amount of the CGU is determined from value in use calculations.

Value in use was determined by discounting future cash flows generated from the continuing use of the titles and was based on the following most sensitive assumptions:

- cash flows for 2018/19 were projected based on the budget for 2018/19
- cash flows for years ending 31 March 2018 to 2021 were prepared using underlying growth rates at an average of 5%, based on management's view on likely trading and likely growth;
- this assumption is based upon both assumed increases in revenue from yield improvements and expansion of markets and also strict cost control;
- cash flows beyond 2021 are extrapolated using 2% growth rate;
- cash flows were discounted using the CGU's pre-tax discount rate of 9.66%.

Based on the above sensitivity assumptions the calculations disclosed significant headroom against the carrying value of goodwill for the CGU. The Directors carried out a number of sensitivity scenarios on the data. In the Directors view there is not any key assumption that the Directors based their determination upon that would cause the CGU's carrying amount to exceed its recoverable amount.

14. Intangible assets

	ASSETS ACQUIRED THROUGH BUSINESS COMBINATIONS £'000	SOFTWARE £'000	TOTAL £'000
Cost			
At 1 April 2016	24,215	4,058	28,273
Reclassified to property, plant and equipment	–	(79)	(79)
Additions – externally purchased	–	39	39
Additions – internally generated	–	372	372
Disposals	–	(1,954)	(1,954)
At 31 March 2017	24,215	2,436	26,651
Reclassified to property, plant and equipment	–	–	–
Additions – externally purchased	–	–	–
Additions – internally generated	–	471	471
Disposals	–	–	–
At 31 March 2018	**24,215**	**2,907**	**27,122**
Amortisation			
At 1 April 2016	16,367	2,646	19,013
Reclassified to property, plant and equipment	–	(71)	(71)
Disposals	584	368	952
Charged in year	–	(1,954)	(1,954)
At 31 March 2017	16,951	989	17,940
Reclassified to property, plant and equipment	–	–	–
Charged in year	408	466	874
Disposals	–	–	–
At 31 March 2018	**17,359**	**1,455**	**18,814**
Net book value			
At 31 March 2016	7,848	1,412	9,260
At 31 March 2017	7,264	1,447	8,711
At 31 March 2018	**6,856**	**1,452**	**8,308**

Assets acquired through business combinations comprise:

	PUBLISHING RIGHTS £'000	BRAND NAMES £'000	CUSTOMER RELATIONSHIPS £'000	CUSTOMER LISTS £'000	OTHER ASSETS £'000	TOTAL £'000
Cost						
At 31 March 2016	19,193	1,277	2,951	640	154	24,215
At 31 March 2017	19,193	1,277	2,951	640	154	24,215
At 31 March 2018	**19,193**	**1,277**	**2,951**	**640**	**154**	**24,215**
Amortisation						
At 31 March 2016	11,408	1,277	2,888	640	154	16,367
Charged in year	532	–	52	–	–	584
At 31 March 2017	11,940	1,277	2,940	640	154	16,951
Charged in year	397	–	11	–	–	408
At 31 March 2018	**12,337**	**1,277**	**2,951**	**640**	**154**	**17,359**
Net book value						
At 31 March 2016	7,785	–	63	–	–	7,848
At 31 March 2017	7,253	–	11	–	–	7,264
At 31 March 2018	**6,856**	**–**	**–**	**–**	**–**	**6,856**

The remaining useful economics lives of the intangible assets are as follows:

- Dods 75 years
- Total Politics 20 years
- Holyrood 20 years
- Software intangibles 4-6 years

The carrying value of publishing rights with a useful economic life of 75 years is £4.2 million (2017: £4.3 million).

Included within intangible assets are internally generated assets with a net book value of £1.4 million (2017: £1.3 million).

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15. Property, plant and equipment

	LEASEHOLD IMPROVEMENTS £'000	EQUIPMENT AND FIXTURES AND FITTINGS £'000	TOTAL £'000
Cost			
At 1 April 2016	642	615	1,257
Reclassified from intangible fixed assets	–	79	79
Additions	1,709	821	2,530
Disposals	(623)	(425)	(1,048)
At 31 March 2017	1,728	1,090	2,818
Reclassified from intangible fixed assets	–	–	–
Additions	216	45	261
Disposals	–	(63)	(63)
At 31 March 2018	**1,944**	**1,072**	**3,016**
Depreciation			
At 1 April 2016	542	529	1,071
Reclassified from intangible fixed assets	27	44	71
Charge for the year	160	141	301
Disposals	(623)	(425)	(1,048)
At 31 March 2017	106	289	395
Reclassified from intangible fixed assets	–	–	–
Charge for the year	173	184	357
Disposals	–	(63)	(63)
At 31 March 2018	**279**	**410**	**689**
Net book value			
At 1 April 2016	100	86	186
At 31 March 2017	1,622	801	2,423
At 31 March 2018	**1,665**	**662**	**2,327**

The Group did not have any assets recognised from obligations under finance leases in either the current or prior year.

16. Subsidiaries

COMPANY	ACTIVITY	% HOLDING	COUNTRY OF REGISTRATION
Vacher Dod Publishing Limited	Dormant	100	England and Wales
Training Journal Limited	Holding company	100	England and Wales
Fenman Limited (i)	Publishing	100	England and Wales
Dods Parliamentary Communications Limited	Publishing	100	England and Wales
Monitoring Services Limited (ii)	Dormant	100	England and Wales
Political Wizard Limited (ii)	Dormant	100	England and Wales
Syntri Group Limited	Dormant	100	England and Wales
Syntri Limited	Dormant	100	England and Wales
Syntri Media Group Limited	Dormant	100	England and Wales
Le Trombinoscope SAS	Publishing	100	France
Total Politics Limited	Publishing	100	England and Wales
Holyrood Communications Limited	Publishing	100	England and Wales

All subsidiaries are owned directly except as noted below.

(i) The Company directly owns 50% of the issued share capital of Fenman Limited with the residual 50% being owned by Training Journal Limited, of which the Company owns 100%. The Company therefore controls the entire issued share capital of Fenman Limited.

(ii) Dods Parliamentary Communications Limited owns 75% of the issued share capital of Political Wizard Limited with the residual 25% being owned by Monitoring Services Limited, of which Dods Parliamentary Communications Limited owns 100%. The Company owns 100% of the issued share capital of Dods Parliamentary Communications Limited and therefore controls the entire issued share capital of Political Wizard Limited.

The registered address for Le Trombinoscope SAS is 315 Bureaux de la Colline, 1 rue Royale, 92213 Saint-Cloud cedex, Paris, France.

The registered address for the remaining eleven subsidiaries is 11th Floor, The Shard, 32 London Bridge Street, London SE1 9SG.

During the current year the Group have elected to provide a parental guarantee to Fenman Limited, Total Politics Limited and Holyrood Communications Limited meaning that they are exempt from the requirement to have a statutory audit.

17. INVESTMENTS IN ASSOCIATES

Set out below are the associates and joint ventures of the group as at 31 March 2018 which, in the opinion of the directors, are individually immaterial to the group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

NAME OF ENTITY	PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	% OWNERSHIP	NATURE OF RELATIONSHIP	MEASUREMENT METHOD	CARRYING AMOUNT (£'000)
Sans Frontieres Associates	England	40	Associate (i)	Equity method	–
Social 360 Limited	England	30	Associate (ii)	Equity method	1,684
Total equity accounted investments					**1,684**

(i) On 16th February 2017, the Group purchased 40% of the issued share capital of Sans Frontieres Associates (SFA), a company registered in England and Wales, with a carrying value of £40. The carrying value of the investment in the associate at year end was £nil (2017: £nil).

SFA's objective is to redefine the approach taken to international geopolitical and crisis communications consulting. It is a strategic investment for the group as SFA's core capabilities and international reach is in keeping with the trends and changing market requirements seen by the group.

As at the year end the Group had loaned SFA £700,000 (2017: £200,000). The total unsecured loan of £700,000 carries no interest rate charge and is repayable in 4 years time.

After taking into account the Group's power over its investee, its exposure and rights to variable returns from its involvement with the investee, and its ability to use the power over the investee to affect the amount of investor's return, the Directors have concluded that the Group does not have a controlling interest in SFA as it is not able to direct the activities of SFA. Therefore SFA has been accounted for as an associate in these financial statements.

(ii) On 16th November 2017, the Group purchased 30% of the enlarged share capital of Social 360 Limited (Social360), a company registered in England and Wales, for a carrying value of £1.68 million in cash including acquisition costs. Social360 provides intelligent digital media monitoring and analysis. It is a strategic investment for the group which complements the monitoring services already provided by the Group.

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The acquisition includes a contractual option for the Group, at its sole discretion, to purchase the balance of the current existing shares between 24 and 36 months from completion, at a valuation based upon Social360's prevailing EBITDA. It is considered that the fair value of the option at the balance sheet date is £nil.

The total share of loss recognised from immaterial associates is £9,122. The aggregate total share of loss from immaterial associates is £163,122, of this £154,000 has not been recognised as Dods have no contractual liability to cover the losses of the Associate and recognising such loses would result in a negative carrying amount for the investment in Associate.

18. Inventories

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Finished goods	12	35
	12	35

19. Financial instruments

Summary of financial assets and liabilities by category
The carrying amount of financial assets and liabilities recognised at the balance sheet date of the reporting periods under review may also be categorised as follows:

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Financial assets		
Trade and other receivables	2,123	2,237
Long term loan	700	200
Cash and cash equivalents	8,757	7,767
Restricted cash held in deposit account	1,266	1,266
	12,846	11,270
Financial liabilities		
Trade and other payables	(7,906)	(7,011)
	(7,906)	(7,011)
Net financial assets and liabilities	4,940	4,259
Non-Financial instruments		
Plant, property and equipment	2,327	2,423
Goodwill	13,282	13,282
Other intangible assets	8,308	8,711
Prepayments	1,346	568
Inventories	12	35
Taxation payable	(1,325)	(1,447)
Provisions for deferred tax	(762)	(763)
	23,188	23,009
Total equity	28,128	27,268

The Group has exposure to several forms of risk through its use of financial instruments. Details of these risks and the Group's policies for managing these risks are included below.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's principal financial assets are trade and other receivables, and cash.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

At 31 March 2018, £174,000 of the Group's trade receivables were exposed to risk in countries other than the United Kingdom (2017: £203,000).

The ageing of trade receivables at the reporting date was:

	GROSS YEAR ENDED 31 MAR 2018 £'000	PROVIDED YEAR ENDED 31 MAR 2018 £'000	GROSS YEAR ENDED 31 MAR 2017 £'000	PROVIDED YEAR ENDED 31 MAR 2017 £'000
The ageing of trade receivables at the reporting date was:				
Overdue by less than 3 months	1,678	41	1,663	41
Overdue by greater than 3 months	75	–	47	24
	1,753	41	1,710	65

Provisions against trade receivables are based on an ageing analysis of overdue receivables and any other indications which suggest an impairment as estimated by management.

The movement in allowance for doubtful accounts in respect of trade receivables during the year was as follows:

	YEAR ENDED 31 MAR 2018 £'000	YEAR ENDED 31 MAR 2017 £'000
Balance at beginning of year		
Movement	65	220
Balance at end of year	(24)	(155)
	41	65

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The contractual cash flows of each financial liability is materially the same as their carrying amount.

Currency risk
The Group is exposed to currency risk on transactions denominated in Euros.

Share capital
The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. For further details of share capital see note 24.

Sensitivity analysis
In managing interest rate and currency risks the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer-term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings.

At 31 March 2018, it is estimated that a general increase of one percentage point in interest rates would have decreased the group's profit before tax by approximately £nil (2017: £nil).

It is estimated that a general increase of one percentage point in the value of the Euro against Sterling would have increased the Group's profit before tax by approximately £11,000 (2017: £5,000)

Fair values
The directors consider that the fair value of financial instruments is materially the same as their carrying amounts.

Capital management
The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

20. Other financial assets

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Trade and other receivables		
Trade receivables	**1,755**	1,645
Other receivables	**368**	592
Prepayments and accrued income	**1,346**	568
	3,469	2,805

Trade and other receivables denominated in currencies other than Sterling comprise £135,677 (2017: £214,358) denominated in Euros.

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Cash at Bank		
Cash and cash equivalents	**7,491**	7,767
Restricted cash held in deposit account	**1,266**	1,266
	8,757	9,033

Cash includes £1,379,000 (2017: £645,000) denominated in Euros.

Included in cash at bank is a rental deposit of £1,266,000 (2017: £1,266,000) held in a bank account in the Group's name which is subject to a guarantee in favour of the landlord of the London premises of the Group.

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21. Current liabilities

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Trade and other payables		
Trade creditors	**2,014**	1,441
Other creditors including tax and social security	**1,325**	1,447
Accruals and deferred income	**5,892**	5,570
	9,231	8,458

Trade creditors and accruals comprise amounts outstanding for trade purchases and ongoing costs. The average credit year taken for trade purchases is 37 days (2017: 26 days).

Current liabilities denominated in currencies other than Sterling compromise £45,622 (2017: £39,456) denominated in Euros.

22. INTEREST BEARING LOANS AND BORROWINGS
The Group has no borrowings.

23. Deferred tax liability

The following are the major deferred tax liabilities and assets recognised by the Group, and movements thereon during the current year and prior year.

	LIABILITIES		ASSETS		
	INTANGIBLE ASSETS £'000	OTHER TIMING DIFFERENCES £'000	ACCELERATED CAPITAL ALLOWANCES £'000	TAX LOSSES £'000	**TOTAL £'000**
At 31 March 2016	965	213	(149)	(190)	**839**
Effect of change in tax rate	–	(40)	–	–	**(40)**
Charge to income	(116)	(245)	325	–	**(36)**
At 31 March 2017	849	(72)	176	(190)	**763**
Effect of change in tax rate					**–**
Charge to income	124	69	(246)	51	**–**
At 31 March 2018	**973**	**(3)**	**(70)**	**(139)**	763

Deferred tax assets and liabilities have been offset in both the current year and preceding year as the current tax assets and liabilities can be legally offset against each other, and they relate to taxes levied by the same taxation authority or the Group intends to settle its current tax assets and liabilities on a net basis.

At the balance sheet date, the Group has unused tax losses of £5,600,000 (2017: £5,720,000) available for offset against future profits. A deferred tax asset of £329,000 (2017: £190,000) has been recognised in respect of such losses.

24. Called-up share capital

	9P DEFERRED SHARES NUMBER	1P ORDINARY SHARES NUMBER	**£'000**
Issued share capital at 31 March 2017	151,998,453	340,840,953	**17,088**
Exercise of share options	–	800,000	**8**
Issued share capital at 31 March 2018	151,998,453	341,640,953	**17,096**

At an extraordinary meeting of shareholders on 7 February 2012 members adopted a new set of Articles of Association and also capital reorganisation.

The Articles of Association have taken advantage of the Companies Act 2006 in which there is no need to have an authorised share capital and therefore nothing is disclosed.

The capital reorganisation took place on the same date and split the issued share capital in two. Deferred shares, holders of which do not have right to receive notice of any general meeting of the Company or any right to attend, speak or vote at such meeting. The deferred shareholders are not entitled to receive any dividend or distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of 1pence aggregate. The deferred shares are also incapable of transfer and no share certificate will be issued.

During the year the Group issued 800,000 (2017: 535,000) ordinary shares on the exercise of employee share options for cash consideration of £44,000 (2017: £53,500) of which £8,000 (2017: £5,350) was credited to share capital and £37,000 (2017: £48,150) to share premium.

25. Operating lease arrangements

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	YEAR ENDED 31 MARCH 2018 LAND AND BUILDINGS £'000	YEAR ENDED 31 MARCH 2017 LAND AND BUILDINGS £'000
Minimumn lease payments under operating leases within:		
– within one year	**1,137**	1,137
– between two and five years	**4,357**	5,494
– after five years	**3,431**	3,431
	8,925	10,062

26. Share based payment

Executive Share Option Scheme

The Company operates an Unapproved Executive Share Option Scheme under which share options are granted to selected Group employees. All options are settled by physical delivery of shares in exchange for payment of the aggregated option price. The contractual life of each grant is 10 years. No more awards are being made under this scheme.

GRANT DATE	OUTSTANDING OPTIONS AT 1 APRIL 2017	LAPSED	EXERCISED	OUTSTANDING OPTIONS AT 31 MARCH 2018
6 May 2009	150,000			150,000
4 November 2010	100,000			100,000
Total	250,000	–	–	250,000

All options granted are discretionary (as determined by the Remuneration Committee) and carry a pre-exercise performance condition, requiring the Company's Earnings Per Share achievement during any rolling three year financial performance year to exceed the retail/consumer price index by at least 3%, in aggregate, during the same period. No consideration is received for an award and no grants can be made at an option exercise price per share which is less than the market price at the time of grant.

26. Share based payment (cont.)

EMI Share Option Scheme

GRANT DATE	OUTSTANDING OPTIONS AT 1 APRIL 2017	EXERCISED	CANCELLED	OUTSTANDING OPTIONS AT 31 MARCH 2018
22 May 2013	1,000,000	(800,000)	(200,000)	-
Total	1,000,000	(800,000)	(200,000)	–

The options granted on 22 May 2013 were awarded under an EMI scheme. To become exercisable the share price of the Company's share price must be a minimum of 8.5 pence.

Details of the share options outstanding during the year are as follows.

	NUMBER OF ORDINARY SHARES	WEIGHTED AVERAGE EXERCISE PRICE (PENCE)
At 31 March 2016	1,785,000	7.8p
Lapsed during the period		
Exercised during the year	(535,000)	10.0p
At 31 March 2017	1,250,000	6.4p
Lapsed during the period		
Exercised during the year	(800,000)	5.5p
Cancelled	(200,000)	
At 31 March 2018	**250,000**	**10.0p**

The following options were outstanding under the Company's Executive Share Option Scheme and EMI scheme as at 31 March 2018:

	NUMBER OF ORDINARY SHARES	EXERCISE PRICE PER SHARE (P)	EXERCISE PERIOD
Granted			
Executive Share Option Scheme			
6 May 2009	150,000	10.0	May 12 – 2019
4 November 2010	100,000	10.0	Nov 13 – 2020
	250,000		

The options outstanding at the period end have an exercise price of 10p and a weighted average contractual life of 6.8 years.

EMI Share Option Scheme			
22 May 2013	1,000,000	5.5	May 2016 – 2023
	(1,000,000)		
As at 31 March 18	–		

During the year, 800,000 share options were exercised at 5.5p and 200,000 share options were cancelled.

The income statement charge in respect of the EMI Share Option Scheme for the year was £8,000 (2017: £8,600).

27. RELATED PARTY TRANSACTIONS

During the year CC Jones Consulting Limited, provided strategic consultancy services to Dods Group plc to the value of £250,000 (2017: £254,250).

Non-executive Chairman Cheryl C. Jones is also a director of CC Jones Consulting Limited (also refer to note 7 detailing directors remuneration). During the year, the Group made an interest free loan to its associate Sans Frontieres Associates (SFA) of £500,000 (2017: £200,000). At 31 March 2018 the total balance of £700,000 was outstanding.

The directors of the group are considered key management personnel. See note 7 for details of directors remuneration.

Company balance sheet

at 31 March 2018

	NOTE	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Non-current assets			
Intangible assets	30	**1,153**	1,221
Tangible fixed assets	31	**2,212**	2,291
Investments	32	**22,205**	20,511
Long term loan		**700**	200
Total non-current assets		**26,270**	24,223
Current assets			
Debtors	33	**3,936**	4,346
Cash	34	**2,805**	3,540
Total current assets		**6,741**	7,886
Total assets		**33,011**	32,109
Capital and reserves			
Called-up share capital	37	**17,096**	17,088
Share premium account		**8,143**	8,106
Merger reserve		**409**	409
Profit and loss account		**4,537**	4,362
Total equity		**30,185**	29,965
Current liabilities			
Trade and other payables	35	**2,450**	1,768
Total current liabilities		**2,450**	1,768
Non-current liabilities			
Other payables	36	**376**	376
Total non-current liabilities		**376**	376
Total equity and liabilities		**33,011**	32,109

During the year, the Company made a profit of £181,000. (2017: £164,000)

The accompanying notes on pages 53 to 58 form part of these financial statements.

These financial statements were approved by the Board of directors and were signed on its behalf by:

Nitil Patel
Chief Financial Officer
6 June 2018

Company statement of changes in equity

for the year ended 31 March 2018

	SHARE CAPITAL £'000	SHARE PREMIUM £'000	MERGER RESERVE £'000	RETAINED EARNINGS £'000	TOTAL SHAREHOLDERS' FUNDS £'000
At 1 April 2016	17,083	8,058	409	4,198	**29,748**
Total comprehensive income					
Profit for the year	–	–	–	164	**164**
Transactions with the owners					
Issue of ordinary shares	5	48	–	–	**53**
At 31 March 2017	**17,088**	**8,106**	**409**	**4,362**	**29,965**
Total comprehensive income					
Profit for the year	–	–	–	181	**181**
FRS20 reserve	–	–	–	(6)	**(6)**
Transactions with the owners					
Issue of ordinary shares	8	37	–	–	**45**
31 March 2018	**17,096**	**8,143**	**409**	**4,537**	**30,185**

The notes on pages 53 to 58 form part of these financial statements.

FINANCIAL STATEMENTS

Notes to the parent company financial statements

28. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom applicable accounting standards, including Financial Reporting Standard 102, and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Under section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

The individual accounts of the Company have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including: categories of financial instruments, items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks
- the requirement to present share based payment disclosures
- the requirement to disclose key management personnel compensation

Share based payments

The Company operates a number of equity-settled, share based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense with a corresponding increase in equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the Company revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

Deferred tax is recognised where it is likely that tax relief will be available on the difference between exercise price and market price at the balance sheet date.

Where the Company grants options over its own shares to the employees of its subsidiaries, it recognises a movement in the cost of investment in its subsidiaries equivalent to the equity-settled share based payment charge recognised in its subsidiary's financial statements, with the corresponding movement being recognised directly in equity.

Leases

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

Post retirement benefits – defined contribution

The Company contributes to independent defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

Dividends

Dividends from subsidiary companies are accounted for when payable. Dividends payable to shareholders are recognised when they are approved by the shareholders at the Annual General Meeting. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

FINANCIAL STATEMENTS

Tax

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset of a fixed asset have been met, the deferred tax is reversed, recognised, and will be assessed. Deferred tax is recognised when income or expenses from a subsidiary or associate have been for tax in a future period, except where:

- the Company is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future. Deferred tax is calculated using the tax rates and laws that that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:
- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxationauthority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Intangible assets

Intangible assets represent publishing rights acquired by the Company. These are amortised over their useful economic life of 20 years.

Tangible fixed assets and depreciation

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

Leasehold improvements	Over the remaining life of the lease
Equipment and fixtures and fittings	3-5 years

Fixed asset investments

In the Company's financial statements, investments in subsidiary undertakings and participating interests are stated at cost less any provisions for impairment.

Impairment of fixed assets and goodwill

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

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits. Otherwise impairments are recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historic cost.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed on intangible assets and goodwill only if subsequent external events reverse the effect of the original event which caused the recognition of the impairment or the loss arose on an intangible asset with a readily ascertainable market value and that market value has increased above the impaired carrying amount.

For other fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period.

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 or amortisation, if no impairment loss had been recognised.

Financial liabilities and equity instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

29. Staff costs

The average number of persons employed by the Company (including executive directors) during the period within each category was:

	31 MARCH 2018	31 MARCH 2017
Managerial and administration staff	**8**	7
	8	7

The aggregate payroll costs in respect of these employees (including executive directors) were:

	31 MARCH 2018 £'000	31 MARCH 2017 £'000
Wages and salaries	**678**	651
Social security costs	**90**	94
Pension and other costs	**1**	6
Share based payment charge/(credit)	**8**	9
	777	760

Detailed disclosures on directors' remuneration is given in note 7.

30. Intangible assets

	PUBLISHING RIGHTS £'000
Cost	
At 31 March 2017	1,357
At 31 March 2018	**1,357**
Amortisation	
At 31 March 2017	136
Charge in the year	68
At 31 March 2018	**204**
Net book value	
At 31 March 2017	1,221
At 31 March 2018	**1,153**

31. Tangible fixed assets

	LEASEHOLD IMPROVEMENTS £'000	SOFTWARE £'000	TOTAL £'000
Cost			
At 31 March 2017	1,709	748	**2,457**
Additions	217	–	**217**
Disposals	–	–	**–**
At 31 March 2018	**1,926**	**748**	**2,674**
Depreciation			
At 31 March 2017	89	77	**166**
Charge in the year	173	123	**296**
Disposals	–	–	**–**
At 31 March 2018	**262**	**200**	**462**
Net book value			
At 31 March 2017	1,620	671	2,291
At 31 March 2018	**1,664**	**548**	**2,212**

32. Fixed asset investments

	SUBSIDIARY UNDERTAKINGS £'000	TOTAL £'000
Cost		
At 31 March 2017	20,511	20,511
Additions	1,694	1,694
At 31 March 2018	**22,205**	**22,205**

The additons during the year relate to the investment in associates.
Detailed disclosures on these and subsidiary undertakings are given in note 16 and associates in note 17.

33. Trade and other receivables

	31 MARCH 2018 £'000	31 MARCH 2017 £'000
Other debtors	**198**	23
Amounts owed by group undertakings	**3,437**	4,070
Deferred tax asset	**153**	–
Prepayments and accrued income	**148**	253
	3,936	4,346

34. Cash and cash eqivalents

	31 MARCH 2018 £'000	31 MARCH 2017 £'000
Cash and cash equivalents	**2,805**	3,540

35. Trade and other payables

Amounts falling due within one year

	31 MARCH 2018 £'000	31 MARCH 2017 £'000
Amounts owed to group undertakings	**1,534**	1,101
Deferred tax liability/(asset)	**–**	87
Accruals and deferred income	**916**	580
	2,450	1,768

The elements of deferred tax are as follows:

	YEAR ENDED 31 MARCH 2018 £'000	YEAR ENDED 31 MARCH 2017 £'000
Accelerated capital allowances	**–**	(30)
Tax losses	**–**	8
Other timing differences	**–**	(65)
Deferred tax liability	**–**	(87)

Movements in deferred tax for the year are set out below:

	£'000
At 31 March 2017	**(87)**
Credit to the profit and loss account	**87**
At 31 March 2018	**–**

The addiitons during the year relate to the investment of associates.

Detailed disclosures on these and subsidiary undertakings are given in note 16 and associates on note 17.

36. Trade and other payables

Amounts falling due after more than one year

	31 MARCH 2018 £'000	31 MARCH 2017 £'000
Amounts owed by group undertakings	**376**	376
	376	376

37. Share capital

	9P DEFERRED SHARES NUMBER	1P ORDINARY SHARES NUMBER	£'000
Issued share capital at 31 March 2017	151,998,453	340,840,953	**17,088**
Exercise of share options		800,000	**8**
At 31 March 2018	151,998,453	341,640,953	**17,096**

At an extraordinary meeting of shareholders on 7 February 2012 members adopted a new set of Articles of Association and also capital reorganisation.

The Articles of Association have taken advantage of the Companies Act 2006 in which there is no need to have an authorised share capital and therefore nothing is disclosed.

The capital reorganisation took place on the same date and split the issued share capital in two. Deferred shares, holders of which do not have right to receive notice of any general meeting of the Company or any right to attend, speak or vote at such meeting. The deferred shareholders are not entitled to receive any dividend or distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of 1 pence aggregate. The deferred shares are also incapable of transfer and no share certificate will be issued.

During the year the Company issued 800,000 (2017: 535,000) ordinary shares on the exercise of employee share options for cash consideration of £44,000 (2017: £53,500) of which £8,000 (2017: £5,350) was credited to share capital and £37,000 (2017: £48,150) to share premium.

38. Operating lease arrangements

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 MARCH 2018 LAND AND BUILDINGS £'000	31 MARCH 2017 LAND AND BUILDINGS £'000
Minimum lease payments under operating leases within:		
– within one year	**1,056**	1,056
– between two and five years	**4,223**	5,279
– after five years	**3,431**	3,431
	8,710	9,766

39. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Related Party Disclosures Section 33 (33.1A) from disclosing transactions which occurred within the Dods Group plc group.

Shareholder Information

Shareholder Analysis

As at 21 May 2018, the number of registered shareholders was 686 and the number of Ordinary shares in issue was 341,640,953.

RANGE OF HOLDINGS	NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOP SHAREHOLDERS	NUMBER OF SHARES	PERCENTAGE OF TOTAL SHARES
1 to 100	25	3.6%	1,206	0.0%
101 to 200	26	3.8%	3,912	0.0%
201 to 500	83	12.1%	29,264	0.0%
201 to 1,000	100	14.6%	74,575	0.0%
1,00, to 2,000	117	17.1%	173,529	0.1%
2,001 to 5,000	116	17.2%	383,585	0.1%
5,001 to 10,000	56	8.2%	417,460	0.1%
10,001 to 50,000	81	11.8%	1,863,285	0.5%
50,001 to 100,000	29	4.2%	2,075,599	0.6%
100,001 to 500,000	22	3.2%	4,699,181	1.4%
500,001 to 1,000,000	9	1.3%	6,374,690	1.9%
1,000,001 to 5,000,000	11	1.6%	26,249,762	7.7%
5,000,001 to 10,000,000	3	0.4%	17,711,206	5.2%
10,000,001 to 50,000,000	4	0.6%	61,512,879	18.0%
50,000,001 to highest	2	0.3%	220,070,820	64.4%
Total	686	100%	341,640,953	100%
Held By:				
Individuals	558	81.3%	162,883,966	47.6%
Institutions and Companies	128	18.7%	178,756,989	52.3%
Total	686	100.0%	341,640,953	100.0%

Company Registrar

You can contact Link's Customer Support Centre which is available to answer any queries you have in relation to your shareholding: By phone – UK – 0871 664 0300, from overseas call +44 (0) 371 664 0300 calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

By email – enquiries@linkgroup.co.uk

By post – Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Signal Shares is a secure online site where you can manage your shareholding quickly and easily www.signalshares.com. All you need is your investor code, which can be found on your share certificate.

COMPANY DIRECTORY

Registered and Head Office
Dods Group plc
11th Floor, The Shard
32 London Bridge Street
London SE1 9SG

Telephone: +44 (0)207 593 5500
Fax: +44 (0) 207 593 5794

Email: information@dodsgroup.com
www.dodsgroup.com

Registered Number
04267888

SECRETARY AND ADVISERS

Secretary
Reed Smith
Broadgate Tower
20 Primrose Street
London, EC2A 2RS

Registrar
Link Market Services Limited
The Registry
34 Beckenham Road
Beckenham
Kent, BR3 4TU

Auditors
Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

NOMAD and Broker
Cenkos Securities plc
6.7.8 Tokenhouse Yard
London EC2R 7AS

Bankers
Barclays
1 Churchill Place
Canary Wharf
London E14 5HP

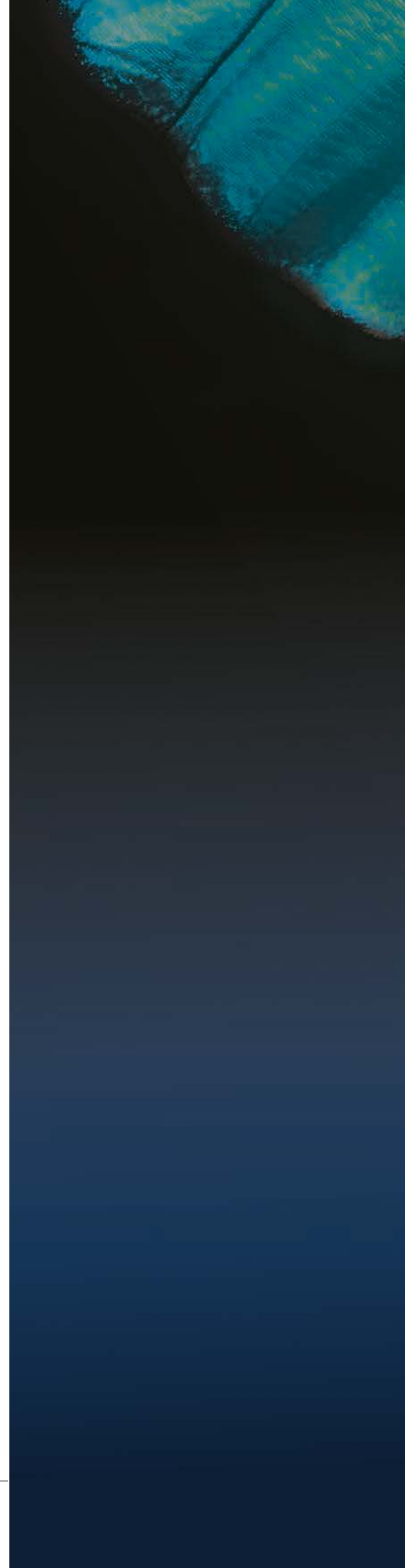
Legal Advisers
Brabners LLP
Manchester Office
55 King Street
Manchester M2 4LQ

Dods Group plc is a public limited company registered in England No. 04267888. Its Ordinary shares are listed on the Alternative Investment Market (AIM) (ticker DODS.L).

Dods Group plc is the parent company of the Dods Group of companies. Unless otherwise stated, the text in this Annual Report does not distinguish between the activities and operations of the parent company and those of its subsidiary undertakings.

This is the Annual Report of Dods Group plc for the year ended 31 March 2018 and complies with UK legislation and regulations. It is also available on the Company's website: www.dodsgroup.com.

Cautionary Statement
The purpose of this Annual Report is to provide information to the members of the Company. The Annual Report contains certain forward–looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve risk and uncertainty, since future events and circumstances can cause results and developments to differ from those anticipated. Nothing in this Annual Report should be construed as a profit forecast.



Dods Group plc
11th Floor, The Shard
32 London Bridge Street
London SE1 9SG

Telephone: 020 7593 5500
Fax: 020 7593 5794

Email: information@dodsgroup.com
www.dodsgroup.com