Annual Report 2017

About Us

Dods is an unrivaled intelligence, media, training and events company, providing essential information and connections to clients in more than 50 countries across 6 continents.

Everyday, clients rely on Dods to provide the relevant information, topical knowledge, actionable insights and critical connections vital for informed decision-making in rapidly developing commercial, public policy and political environments across the United Kingdom and European Union.

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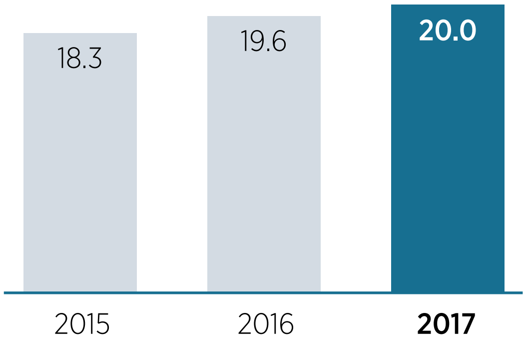
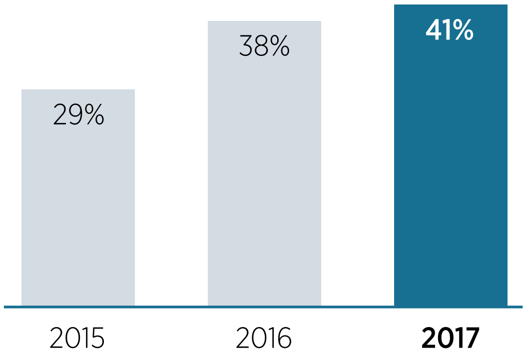
Key Highlights

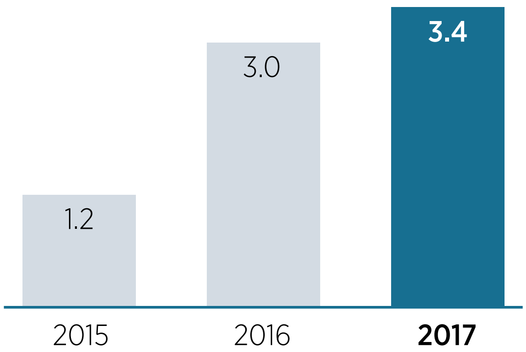
Revenue (£m)



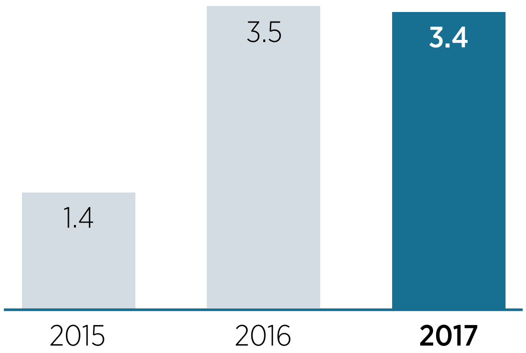
Gross profit margin



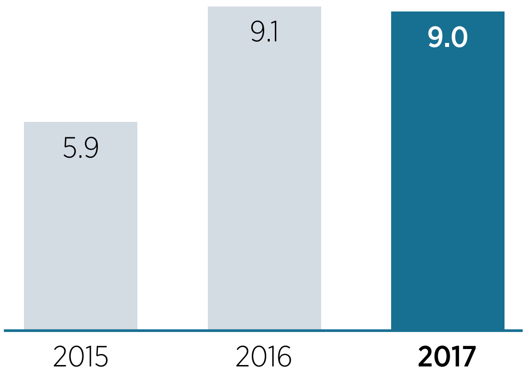
Adjusted* EBITDA (£m)



Cash generated from operations (£m)



Net cash** (£m)



*Adjusted EBITDA is calculated as earnings before interest, tax, depreciation, amortisation, share based payments and non-recurring items.

**After major cash investment expenditure relating to new London premises of £2.5 million (2016: £0.1 million).

**Includes restricted cash of £1.3 million (2016:£nil) held in a deposit account, in our name, supporting a lease agreement.

Chairman's statement

I am pleased to announce the full year results for Dods Group plc which demonstrate a strong operational platform that poises the Company for acquisition and supports future organic growth.

Results

Turnover for the year ending 31 March 2017 was £20.0 million (2016: £19.6 million). Gross margins continued to improve to 41% (2016: 38%). The Company achieved a 13% increase in adjusted EBITDA to £3.4 million (2016: £3.0 million), and operations generated cash of £3.4 million (2016: £3.5 million).

Planned revenue growth in the second half of the fiscal year was impacted by slow operational implementation of a sales realignment. Consequently, there was an average 5% decrease in sales effectiveness for the second half of the year.

Based upon review, the Board believes the impact of this delay is limited to the missed timing of operational implementation, and is not reflective of market conditions. The Board is confident about the opportunities available in the market for Dods' professional sales organisation going forward into the new fiscal year.

Continued year over year improvements in both gross margin and EBITDA are a reflection of the scalability and process efficiencies embedded in key functional areas throughout the Group. Robust retention programmes and keen focus on revenue quality are also on-going contributors to these improvements.

The Group's operations generated £3.4 million of cash during the fiscal year. Continuous improvement in back office procedures, a decrease in days sales outstanding from 37 days to 32 days and diligent management focus all contributed to cash generation.

The Group used £3.1 million in investing activities during the year of which £2.5 million was used for the build-out, furnishings and equipment related to the relocation of Dods' registered office and headquarters into new premises at The Shard in London Bridge Quarter. The remaining £0.6 million included normal expenditures for software and hardware and a strategic investment in Sans Frontières Associates Limited. At year-end, the Group's net cash position was £9.0 million (includes restricted cash of £1.3 million held in a deposit account, in our name, supporting a lease agreement).

Growth Priorities

Dods, at the heart of its value proposition to clients, provides tailored solutions that enable actionable insights for critical decision making, in an increasingly fast-paced commercial landscape influenced by public policy and the shape of the political environment.

Because of the required speed of decision-making and the continuous commercial pressure to perform, clients are seeking more bespoke offerings with evolved solutions. This creates demand for providers to recombine products and attempt to offer creative service bundles rather than going to market with traditionally more narrowly defined products.

These dynamics tend to blur the lines of demarcation between service providers as they were historically defined in the marketplace.

The aforementioned trends, well-position the Group to consider acquisitions that not only bring scale to existing products and services, but importantly also allow the Group to evaluate adjacent businesses. An adjacent business could provide speed-to-market for new sector expansion as well as enhance depth of product service competencies.

Recognising the opportunities created from this positive disruption in the market, the Board has dedicated resources to establish an acquisition programme outside of operational management. This programme is currently focussed on identifying and pursuing buy-and-build and market adjacency opportunities.

As a start, in February 2017, the Group announced completion of a strategic investment in Sans Frontières Associates (SFA), acquiring a 40.0% stake in the business. SFA is an international consulting services and communications-led

solutions company based in London. The Board believes SFA's core capabilities and international reach are in keeping with the trends and changing market requirements, and SFA has the ability to redefine the approach taken to international geopolitical and crisis communications consulting.

Given these plans and Dods' reliance on digital service delivery platforms, its frequency and volume of information exchange with disparate data providers, and the geographical expanse over which electronic communications take place, achieving ISO27001 Information Security certification was set-forward as a priority for the business in late 2015. In February 2017, Dods achieved and was awarded this certification. Certified companies must have an auditable, defined and demonstrable set of processes and procedures covering information security, typically implemented in the form of an information security management system.

Board Appointments

During the fiscal year, the Board welcomed three new members.

On 4 August 2016, after serving in the Company in positions of increased responsibility over more than fifteen years, Guy Cleaver was appointed as Chief Executive Officer and joined the Board as a Director. He was previously named as Chief Operating Officer with responsibility for all the Group's businesses in March 2016.

Subsequently, on 5 September 2016, Nitil Patel was appointed as the Group's Chief Financial Officer and also named to the Board as a Director. Nitil's prior operational and strategic acquisitions experience has been very valuable to the Company as it continues transformational plans including acquisitive growth.

Concurrently, Diane Lees CBE, also joined the Board on 5 September 2016 as a Non-executive Director. Diane's diverse leadership positions, as well as her domain knowledge of specific sectors such as higher education, make her a valued addition of the Board.

Outlook

Given the Company's robust client retention programmes, its forward bookings and current sales activity levels, the Board is confident the Company is, year over year, in a position to achieve consistent organic growth. The Board is optimistic about Dods' prospects for continued success in fiscal year 2018.

On behalf of the Board, I would like to recognise the efforts of each of the valued employees of Dods Group PLC, and recognise their commitment to supporting our overall efforts to become an innovative company where clients, stakeholders and employees all benefit from aspiring to a spirit of excellence.

Cheryl C. Jones
Chairman
25 May 2017

Strategic report

Business review

Dods is an unrivaled intelligence, media, training and events company, providing essential information and connections to clients in more than 50 countries across 6 continents.

Everyday, clients rely on Dods to provide the relevant information, topical knowledge, actionable insights and critical connections vital for informed decision-making in rapidly developing commercial, public policy and political environments across the UK and EU. Dods does this in both private and public sectors.

Today, specialised content and expert insight are delivered through a host of products, solutions bundles and full-service mediums including, premium content subscriptions, custom-configured media monitoring services, mobile applications, automated news alerts, live events, online engagement programmes, face-to-face training, digital media, print media, channel partners, licensing, syndication and bespoke research. The Dods Group portfolio of brands, products and services include:

Intelligence, Information & Insight Services
Dods' market-leading, custom-configured specialist services and media monitoring products keep clients and subscribers abreast of political and policy developments, with tailored timely intelligence. In addition, Dods provides in depth research, survey and polling services across our markets allowing customers to gain insight and gauge the attitudes of decision-makers. Clients use our insight services to assess areas of strategic importance to their organisation and make informed decisions. These insights also feed into our clients' executive teams and underpin their corporate, communications, and public affairs strategies.

Dods products and services are usually bundled as a bespoke, integrated solution tailored to the each client's specific needs. The key subscription products that comprise these bundles include sector-specialised political and public sector consulting, Dods Monitoring for the UK, EU, French and German markets as well as digital reference products Dods People UK, Dods People EU and Civil Service People.

Dods is renowned for its comprehensive and in-depth parliamentary and public sector contact information available for both the UK and EU through our online subscription products, mobile apps and reference directories. Directory publications include Dods Parliamentary Companion, Vacher's Quarterly, Le Trombinoscope and The European Public Affairs Directory.

Digital Media
Our digital publishing sites, social media outlets, blogs and apps deliver unique news, comment and expert analysis, while providing channels for our customers to engage with senior decision-makers. Our digital media brands are all market leaders in their fields and include PoliticsHome.com, CivilServiceWorld.com, PublicTechnology.net, TheParliamentMagazine.eu, Holyrood.com, TrainingJournal.com, PublicAffairsNews.com and TotalPolitics.com. Each brand augments its digital presence through a distinct mix of social media platforms, blogs, webinars, digital forums and content syndication.

Print Media
Our well-established print publications include The House Magazine, a publication by MPs for MPs, which just celebrated its 40th anniversary, The Parliament Magazine – focussed coverage of the European Union's politics, policy and people, Holyrood Magazine – Scotland's award-winning current affairs magazine, Civil Service World – all the latest independent civil service news, opinion, interviews and analysis from Whitehall and beyond as well as Training Journal – the publication for workplace learning and development.

Training
Dods Training is the leading provider of learning and development on governance and policy making, designing and conducting hundreds of training programmes annually for UK and international public servants seeking the skills necessary to formulate and deliver policy. In addition to our acclaimed open course programme, we also design, develop and deliver bespoke training both in the UK and internationally. We have extensive experience running courses and workshops around the globe and hosting international delegations on study visits to the UK.

Engagement Events
Our exhibition and event management teams leverage Dods' media brands to produce a full array of engagement experiences, drawing on each brand's mission, audience and authority. Dods range of engagement opportunities includes tradeshows, summits, round tables and receptions allowing targeted interactions between customers and decision-makers; policy briefing events including Westminster Briefings and Holyrood Briefings that explain recent developments to attendees and inform them of the likely impact on their organisations and sectors; and organise awards events to celebrate best practice and achievement.

*"Coca-Cola European Partners has worked with **Holyrood Communications** for several years to engage with stakeholders via various mediums such as magazine, fringe events and round tables. Their knowledge of the topics, their level of contacts and depth of political intelligence are invaluable in shaping and ensuring those discussions may be magnified in Scotland."*

JIM FOX, ASSOCIATE DIRECTOR PUBLIC AFFAIRS, COCA-COLA

Outsourced Event Management Services
In addition to engagement events sponsored by Dods Group media brands, our event professionals utilise their core competencies to organise all aspects of bespoke events, round tables, receptions and fringe events as an outsourced service for clients including venue selection, obtaining sponsors and advertisers, speaker recruitment, exhibition booth sales and delegate management.

By Order of the Board
25 May 2017

Operational review

During the year revenue increased to £20.0 million representing a 2% growth over the prior year. Adjusted EBITDA was £3.4 million compared to £3.0 million last year equating to a 13% growth. Net profit for the year was £1.6 million versus £1.1 million. Cash generated from operations was £3.4 million against £3.5 million for the prior year.

Following on from last year the improved adjusted EBITDA and net profit is due to the continued benefits of the operational focus the Group has been implementing. The efficiencies have enabled gross margin to increase to 41% (2016: 38%) and net profit margin to 8% (2016: 6%). The Group has maintained the restructuring initiatives to enable service delivery based on a stable operational platform.

Key Financial Information

	Year ended 31 Mar 2017 £'000	Year ended 31 Mar 2016 £'000	Year ended 31 Mar 2015 £'000
Revenue	**19,965**	**19,620**	**18,301**
Adjusted EBITDA	**3,401**	**2,958**	**1,205**
Depreciation of property, plant and equipment	(301)	(230)	(228)
Amortisation of software intangible assets	(368)	(412)	(763)
Amortisation of intangible assets acquired through business combinations	(584)	(629)	(791)
Adjusted EBIT	**2,148**	**1,687**	**(577)**
Adjustments			
Adjustment to amortisation of intangible assets acquired through business combinations following product reviews			(2,781)
Non recurring restructuring costs	(221)	(518)	(632)
Non recurring amortisation cost following software and systems review			(578)
Non recurring other items	(331)	(26)	(340)
Net finance costs	(49)	(21)	(63)
Reported earnings before tax (PBT)	**1,547**	**1,122**	**(4,971)**

Gross profit margin	41%	38%	29%
Adjusted EBITDA margin	17%	15%	7%
PBT margin	8%	6%	-27%

Strategic report (cont'd)

The Group implemented a sales realignment to improve effectiveness, introduce new metrics and reporting processes, enhance training and upgrade the sales team. In addition, changes to the incentive schemes aligned the individual with the Group's goals.

As already mentioned, the timing and execution of the sales realignment was poor and this resulted in a loss of momentum in the third quarter of the financial year. However, lessons were learned and adjustments were implemented in the last quarter to address the issues raised in the implementation process.

The Group continues to invest in the intelligent, information and insight service delivery infrastructure as it recognises the importance of product enhancements. This year £0.4 million (2016: £0.2 million) was capitalised and the Group completed the migration of websites to a common platform and launched the Dods People App. For FY18 the Group is planning a series of improvements and innovations that will rationalise and focus content thereby enhancing the user experience. This should expand the Group's ability to grow its subscriber base and drive continued improvements in retention rates.

In FY16 Dods gained the Cyber Essentials Plus certification for Information Security. One of the initiatives we set ourselves was to attain ISO27001 Information Security certification in FY17. This was achieved and awarded to Dods in February 2017. ISO27001 requires that a compliant company has a defined and demonstrable set of processes and procedures covering Information Security, typically implemented in the form of an Information Security Management System (ISMS).

Recent, high-profile malware attacks have highlighted, more than ever, the need for coherent information security policies to be in place. The prevention of unauthorised access to a company network, whether via deliberate or random attack, is part of a wider strategy of risk management.

A major change in FY17 was moving 165 staff from Westminster to The Shard. Requiring significant work on risk assessment, planning, coordination and set against a highly challenging time constraint, the move was successfully completed by 16 September 2016. In doing so the Group also achieved the initiative of implementing higher speed internet connectivity to the office, enabling greater use of cloud-based services, and an upgraded office network capable of meeting the demands of unified communication.

The relocation and upgrade has allowed the Group to create an attractive team environment within a highly digital and secure surrounding, bringing flexibility to better deliver our services and increase client involvement and engagement.

Guy Cleaver
Chief Executive Officer
25 May 2017

Principal risks and uncertainties

The Directors consider that the principal risks and uncertainties facing the Group are:

Risks	Mitigating Actions	Opportunity
Brexit 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 is 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

*"We always receive excellent support and assistance from **Dods Events**. Each year we work in partnership to plan and deliver a cutting edge national conference for the careers guidance sector. Dods ensure we secure high-level political speakers and manage the promotion, organization and logistics extremely well. The feedback from the participants is consistently of the highest order."*

STEVE STEWART, CAREERS ENGLAND

Finance report

Revenue and Operating Results

The results for the year show revenue of £20.0 million compared to £19.6 million for the previous year, and an adjusted EBITDA of £3.4 million (2016: £3.0 million). Amortisation of intangible assets acquired through business combinations totalled £0.6 million (2016: £0.6 million). Amortisation of software was £0.4 million (2016: £0.4 million).

The statutory profit before tax for the year was £1.6 million (2016: £1.1 million).

Non–recurring items

As disclosed in note 4, non–recurring items for the year totalled £0.2 million (2016: £0.5 million). The expenses relate to people costs incurred in internal re–organisation of the business, one-off moving costs and legacy IT related expenses.

Taxation

Tax payments of £60,000 (2016: £30,000) relating to overseas operations were made during the year. These, together with the utilisation of historic tax losses against current year profits and movements in deferred tax has led to an income tax credit of £16,000 (2016: charge of £36,000). Whilst the Group continues to seek to optimise its tax position going forward, it is expected that the effective tax rate will increase.

Forward Foreign Exchange Contracts

During the year, the Group entered in to several forward exchange contracts that fixed the rate between the pound and euro. As a consequence of the UK referendum result on 23 June 2016 and the depreciation of the pound against the euro the Group incurred a loss of £331,000 (2016: £47,000). The Group has no foreign exchange contracts in place going forward.

Earnings per Share

Normalised earnings per share (before non–recurring items, discontinued operations, share based payments credits and amortisation of intangible assets acquired through business combinations) was 0.79 pence (2016: 0.66 pence). Basic profit per share was 0.46 pence (2016: 0.32 pence).

Dividends

The Directors do not propose to pay a dividend (2016: £nil).

Liquidity and Capital Resources

Net interest and finance income during the 12 months amounted to £19,000 (2016: £26,000).

During the period, underlying cash conversion was in line with expectations. The Group generated £3.4 million (2016: £3.5 million) of cash from its operating activities. The Group used £3.1 million in investing activities (2016: £0.3 million). £2.5 million was on the acquisition of property, plant and equipment (2016: £0.1 million), investment in software and hardware for our technology platforms of £0.4 million (2016: £0.2 million) and a long term loan of £0.2 million (2016: £nil). At the year–end, the Group held cash at bank of £9.0 million (includes restricted cash of £1.3 million held in a deposit account, in our name, supporting a lease agreement) (2016: £9.1 million).

Leasehold Improvements, equipment and fixtures and fittings

During the year, the Group executed a planned office move for its major operation in London. The costs incurred of £2.53 million included £1 million on fit out costs, £0.6 million on furniture, IT and infrastructure of £0.3 million, legal fees and stamp duty of £0.3 million and project management of £0.3 million. These costs will mostly be offset over the coming years by a rent free period and reduced rental payments.

Derivatives and Other Instruments

Dods' financial instruments comprised of cash deposits and other items such as normal trade receivables and payables. The main purpose of these financial instruments is to finance the Group's day–to–day operations.

The Group's policy is that no speculative trading in derivatives is permitted.

Going Concern

The directors believe, having reviewed the Group's forecasts and its existing banking facilities, that the Group has adequate resources available to continue its operations for the foreseeable future. Consequently, the going concern basis has been applied in preparing the financial statements for the 12 months ended 31 March 2017.

Nitil Patel
Chief Financial Officer
25 May 2017

Directors' 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 4 to 7 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 6. 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 19. 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 note 18 to the financial statements.

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
The Lord Adonis	Non–executive Director
Sir William Wells	Non–executive Director
Edward G. Cleaver	Chief Executive Officer
Nitil Patel	Chief Financial Officer
Diane Lees CBE	Non–executive Director

As previously reported, on 4 August 2016 Edward G. Cleaver was appointed as Chief Executive Officer of the Company. Nitil Patel was appointed as Chief Financial Officer of the Company on 5 September 2016 and, on the same date, Diane Lees CBE was appointed as a Non–executive Director of the Company.

Director's biographies

Cheryl C. Jones (A R)
Chairman, Non–executive Director
Cheryl is currently non–executive Chairman of AIM listed Caribbean Investments Holdings Limited, a financial services company. She was appointed to this board in 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.

Guy Cleaver
Chief Executive Officer
Guy Cleaver was appointed as Chief Executive Officer and named as a Director of Dods Group PLC on 4th August 2016. Previously he served as Dods' Chief Operating Officer since March 2016, with responsibility for all of the Group's businesses. Guy joined Dods in 2001 working for the Civil Service training business, before being promoted to Managing Director in 2007. In 2013 Guy took over the running of the Company's public sector focused portfolio and he has been the driving force behind the consolidation of the Company into three operating units. Guy is a former pupil of Radley College and a graduate of Nottingham University.

*"We've worked with **PoliticsHome** for over three years and it continues to offer excellent opportunities to promote policy messaging that is read by the right audience. The team have also been reliable in securing relevant commentary from MPs and other policy professionals, helping spread our influence across sectors."*

EDDIE TUTTLE, PRINCIPAL PUBLIC AFFAIRS AND POLICY MANAGER, CHARTERED INSTITUTE OF BUILDING

Nitil Patel
Chief Financial Officer
Nitil Patel was appointed as Chief Financial Officer and Director of Dods Group PLC on 5th September 2016. He was previously CFO of Ten Alps plc (recently 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.

Sir William Wells (A R)
Non–executive Director
Sir William Wells joined the Board on 1st December 2010 as a Non–executive Director. His career encompasses senior positions in public health, commercial property, insurance and business services. He was Managing Partner and then Chairman of Chesterton Chartered Surveyors for 34 years, where he oversaw their transition from a private partnership to a listed company. His other experience includes non–executive director roles with AMP (UK), Henderson Group plc and Exel plc, which was subsequently acquired by Deutsche Post. Sir William is Chairman of ADL plc, a care home provider, Restore plc, a data handling business, CMG plc, a specialist in the care of adults with learning difficulties, and The Practice Ltd, a leading provider of primary healthcare. He was previously the Chairman of the Department of Health's Commercial Advisory Board, and the NHS Appointments Commission.

The Lord Adonis (R)
Non–executive Director
Lord Andrew Adonis was appointed as Chairman of the National Infrastructure Commission on 5th October 2015. He was formerly the Director of the Institute for Government, an independent charity with cross–party and Whitehall governance, working to increase government effectiveness. Prior to this, he spent twelve years in government as a minister and special adviser, latterly as Secretary of State for Transport. Previously he was Minister for Schools, Head of the No.10 Policy Unit and senior No.10 adviser on education, public services and constitutional reform. Before joining government, he was Public Policy Editor of the Financial Times and a Fellow of Nuffield College Oxford. He is also a director of two charities – the Baker–Dearing Trust and Edge. He has been a member of the House of Lords since 2005 and was appointed to the Dods Group PLC Board in January 2011

Diane Lees CBE
Non–executive Director
Diane Lees joined the Board on 5th September 2016 as a Non-executive Director. She is currently 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.

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

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 01/04/16	At 31/03/17	At 01/04/16	Lapsed	At 31/03/17
Lord Adonis	–	–	–	–	–
Sir William Wells	2,072,000	2,472,000	–	–	–
Cheryl C. Jones	5,165,000	5,315,000	–	–	–
Edward G. Cleaver (appointed August 2016)	–	649,000	1,000,000	–	1,000,000
Nitil Patel (appointed September 2016)	–	100,000	–	–	–
Diane Lees CBE (appointed September 2016)	–	40,800	–	–	–

The share options were granted on 22 May 2013 and exercisable between May 2018 and 2028 at 5.5 pence.

There have been no other changes in the directors' beneficial or non-beneficial interests between the year-end and 25 May 2017, the date on which this Report has been signed. 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 2016 13.375 pence; share price on 31 March 2017 13.25 pence; average share price during the year 13.221 pence.

Share listing
The Company's Ordinary shares are listed on the Alternative Investment Market (AIM), 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 25 to the accounts.

Political and charitable donations
No charitable or political donations were made in the year (2016: 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 1 May 2017, the Company had been notified of the following interests in 3% or more of its issued share capital:

Lord Ashcroft	44.08%
Livingbridge VC LLP	20.06%
Sasqua Fields Capital Partners I LLC	8.10%
Schroder Investment Management Limited	5.52%
Artemis Investment Management	5.40%

Share capital
The issued share capital of the Company is 340,840,953 ordinary shares of £0.01 each.

Health, safety and environmental
The Chief Executive 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 who held office at the date of approval of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of such 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 5 July 2017 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 2017.

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

By Order of the Board
25 May 2017

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 Executive Officer, the Chief Financial Officer and three Non–executive Directors. Short biographical details of each of the Directors are set out on pages 8 and 9. 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 is a clear division of their responsibilities. 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 pages 8 and 9 and comprises solely of Non–executive Directors. The Remuneration Committee, on behalf of the Board, meets as and when necessary to review and approve as appropriate the contract terms, remuneration and other benefits of Executive Directors. The Remuneration Committee also approves the remuneration of the 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.

The Remuneration Committee is empowered to recommend the grant of share options under the Group's share option plans. 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 2017 were reported to and endorsed by the Board.

Audit Committee
The Audit Committee comprises solely of Non–executive Directors. 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 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.

*“**Dods Training** has participated in our KPMG-led consortia to deliver the Civil Service Learning programme since December 2015 and the Reimagine Government initiative since January 2016. These initiatives are both part of our public sector offering, aimed at instigating transformation and effective collaboration.”*

MS. KRU DESAI, PARTNER, KPMG LLP

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 2017.

	Board	Remuneration	Audit
Total meetings held	5	2	2
Cheryl C. Jones	5	2	2
Edward G. Cleaver (appointed 4 August 2016)	3	–	1
Nitil Patel (appointed 5 September 2016)	3	–	1
Sir William Wells	5	2	2
Lord Adonis	4	2	–
Diane Lees CBE (appointed 5 September 2016)	3	–	–

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 2018 and extended for a three month period to 30 June 2018 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, being a period of at least twelve months from the date of this report. 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
25 May 2017

Directors' 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 Advisor ("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 Advisors, 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
25 May 2017

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

We have audited the financial statements of Dods Group PLC for the year ended 31 March 2017 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 statement of financial position and the related notes. 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 (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement (set out on page 15), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.
Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2017 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Mark Henshaw
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
25 May 2017

*“**Civil Service World** is a great forum for us to communicate key messages and capabilities on topical issues to perhaps the widest range of Civil Servants and public sector workers of any forum.“*

MIKE PARFITT, SENIOR MARKETING MANAGER, BT BUSINESS AND PUBLIC SECTOR MARKETING

*“**Dods Monitoring UK** provides us with vital and timely monitoring and horizon scanning services. They are extremely knowledgeable and plugged into the goings on in Westminster and Whitehall. We are so confident in their ability to deliver that we are also taking up their services to arrange conference fringe events.”*

MIKE HARRISON, COMMUNICATIONS MANAGER, WELINK GROUP

*“Hosting content on **Civil Service World** and its sister site **PublicTechnology.net** has helped drive our key messages to the public sector audience and has helped grow brand recognition across the public sector.”*

DAN HAMILTON, SENIOR MARKETING MANAGER, MICROSOFT

Financial Statements

Consolidated income statement *(for the year ended 31 March 2017)*

	Note	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Revenue	3	**19,965**	19,620
Cost of sales		**(11,729)**	(12,172)
Gross profit		**8,236**	7,448
Administrative expenses		**(4,835)**	(4,490)
Adjusted EBITDA		**3,401**	2,958
Depreciation of tangible fixed assets	14	**(301)**	(230)
Amortisation of intangible assets acquired through business combinations	13	**(584)**	(629)
Amortisation of software intangible assets	13	**(368)**	(412)
Non-recurring items	4	**(221)**	(544)
Operating profit		**1,927**	1,143
Net finance costs	8, 9	**(380)**	(21)
Profit before tax	5	**1,547**	1,122
Income tax credit/(charge)	10	**16**	(36)
Profit for the year attributable to equity holders of parent company		**1,563**	1,086
Profit per share			
Basic	11	**0.46 p**	0.32 p
Diluted	11	**0.46 p**	0.32 p

Consolidated statement of comprehensive income *(for the year ended 31 March 2017)*

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Profit for the year	**1,563**	1,086
Items that will be subsequently reclassified to Profit and Loss		
Exchange differences on translation of foreign operations	**(86)**	(2)
Other comprehensive loss for the year	**(86)**	(2)
Total comprehensive income in the year attributable to equity holders of parent company	**1,477**	1,084

Consolidated statement of financial position *(as at 31 March 2017)*

	Note	**31 March 2017 £'000**	31 March 2016 £'000
Fixed assets			
Goodwill	12	**13,282**	13,282
Investment in associates	16	**–**	–
Intangible assets	13	**8,711**	9,260
Property, plant and equipment	14	**2,423**	186
Total fixed assets		**24,416**	22,728
Current assets			
Inventories	17	**35**	41
Trade and other receivables	19	**2,805**	2,190
Cash and cash equivalents	19	**7,767**	9,083
Restricted cash held in deposit account	19	**1,266**	–
Total current assets		**11,873**	11,314
Non-current assets			
Long term loan	16	**200**	–
Total non-current assets		**200**	–
Total assets		**36,489**	34,042
Capital and reserves			
Issued capital	23	**17,088**	17,083
Share premium		**8,105**	8,057
Other reserves		**409**	409
Retained profit		**1,784**	221
Share option reserve		**36**	27
Translation reserve		**(154)**	(68)
Total equity		**27,268**	25,729
Current liabilities			
Trade and other payables	20	**8,458**	7,474
Total current liabilities		**8,458**	7,474
Non-current liabilities			
Deferred tax liability	22	**763**	839
Total non-current liabilities		**763**	839
Total Equity & Liabilities		**36,489**	34,042

The accompanying notes 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
25 May 2017

Consolidated statement of changes in equity *(for the year ended 31 March 2017)*

	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 2015	17,078	8,009	409	(882)	(66)	47	**24,595**
Total comprehensive income							
Profit for the year	–	–	–	1,086	–	–	**1,086**
Other comprehensive loss							
Currency translation differences	–	–	–	–	(2)	–	**(2)**
Transactions with the owners							
Exercise of share options	5	48	–	–	–	–	**53**
Lapsed option transfer	–	–	–	17	–	(17)	**–**
Share based payment						(3)	**(3)**
At 31 March 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							
Issue of ordinary shares	5	48	–	–	–	–	**53**
At 31 March 2017	**17,088**	**8,105**	**409**	**1,784**	**(154)**	**36**	**27,268**

Consolidated statement of cash flows *(for the year ended 31 March 2017)*

	Note	**Year Ended 31 March 2017 £'000**	Year Ended 31 March 2016 £'000
Profit for the year		**1,563**	1,086
Depreciation of property, plant and equipment	14	**301**	230
Amortisation of intangible assets acquired through business combinations	13	**584**	629
Amortisation of other intangible assets	13	**368**	412
Share based payments charge/(credit)		**9**	(3)
Net finance costs		**380**	21
Income tax (credit)/charge		**(16)**	36
Operating cash flows before movements in working capital		**3,189**	2,411
Change in inventories	17	**6**	33
Change in trade and other receivables		**(615)**	781
Change in trade and other payables		**897**	300
Cash generated by operations		**3,477**	3,525
Taxation paid		**(60)**	(30)
Net cash from operating activities		**3,417**	3,495
Cash flows from investing activities			
Interest and similar income received		**19**	26
Acquisition to property, plant and equipment	14	**(2,530)**	(108)
Additions to intangible assets	13	**(411)**	(244)
Long term loan		**(200)**	–
Net cash used in investing activities		**(3,122)**	(326)
Cash flows from financing activities			
Proceeds from issue of share capital		**53**	54
Foreign exchange contracts		**(399)**	–
Interest and similar expenses paid		**–**	(47)
Net cash used in financing activities		**(346)**	7
Net (decrease)/increase in cash and cash equivalents		**(51)**	3,176
Opening cash and cash equivalents		**9,083**	5,908
Effect of exchange rate fluctuations on cash held		**1**	(1)
Closing cash at bank		**9,033**	9,083
Cash and cash equivalents		**7,767**	9,083
Restricted cash held in deposit account		**1,266**	–
Closing cash at bank		**9,033**	9,083

Notes to the financial statements

31 March 2017

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 non–current assets which are stated at the lower of previous carrying value and fair value less costs to sell.

Going Concern
The Group had net current assets as at 31 March 2017 of £3.42 million (2016: £3.84 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 4 to 7, and in the Directors' Report on page 8. In addition, note 18 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.

The consideration transferred does not include amounts related to the settlement of pre–existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred. Costs relating to acquisitions are shown in non–recurring items.

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 and the amount of revenue can be measured reliably.

When books are sold on a sale or return basis, revenue is recognised on distribution less a provision for expected returns.

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.

Revenue for recruitment services provided is recognised when an unconditional offer is accepted. Retainer revenue is recognised upon completion of the candidate's probationary period. Interim revenue is recognised for the period in which the interim staff member works.

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.

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.

Post–retirement benefits – defined benefit

The Group's French subsidiary operated a defined benefit pension scheme which was open to all employees, who were entitled to a lump sum on retirement. Following the disposal of the major part of the French business in June 2008, the scheme remains available to 5 remaining French employees of the Group.

At the time of the transfer of the major part of the business, the liability was calculated by a qualified independent actuary to determine the net defined obligations. The liability was less than €500. The Directors consider this to be an immaterial amount and therefore have not given the disclosures required by IAS 19, "Employee Benefits".

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.

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 and 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 (2016:£nil) 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.

Derivative financial instruments
The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Group uses foreign exchange forward contracts to hedge these exposures. The Group does not apply hedge accounting. The Group does not use derivative financial instruments for speculative purposes.

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 noncurrent 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.

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 12 and 13.

c) 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 18.

d) 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 22.

Details of judgements and estimates in relation to the impairment of goodwill are given in note 12.

Adopted IFRS not yet applied

A number of new standards, amendments to standards and interpretations are in issue but not yet effective for annual periods beginning on 1 April 2016 and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

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.

The groups principal activity is the curation and aggregation of high quality information and data and the provision of services through a combination of onine 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 2017	Year ended 31 Mar 2016	**Year ended 31 Mar 2017**	Year ended 31 Mar 2016	**Year ended 31 Mar 2017**	Year ended 31 Mar 2016
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
UK	**15,972**	15,376	**36,711**	33,531	**2,923**	352
Rest of world	**3,993**	4,244	**138**	511	**18**	–
Continuing operations	**19,965**	19,620	**36,849**	34,042	**2,941**	352

4. Non–recurring items

	Year ended 31 Mar 2017 £'000	Year ended 31 Mar 2016 £'000
Payments in lieu of notice, compensation for loss of office and associated legal fees	–	218
Redundancy and people–related costs	76	300
Legacy IT related costs	106	–
Aborted acquisition costs	28	–
Office relocation	11	26
	221	544

Payments in lieu of notice, compensation for loss of office and associated legal fees in respect of a former Chief Executive Officer.

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

5. Profit before tax

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Profit before tax has been arrived at after charging:		
Depreciation of property, plant and equipment	301	230
Amortisation of intangible assets acquired through business combinations	584	629
Amortisation of other intangible assets	368	412
Staff costs (see note 7)	8,694	8,493
Non–recurring items (see note 4)	221	544
Net foreign exchange losses	399	47
Operating lease charge	722	320

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Auditors' remuneration:		
Fees payable to the Company's auditor for the audit of the		
Company's annual accounts	15	15
Fees payable to the Company's auditor and its associates for other services:		
The audit of the Company's subsidiaries, pursuant to legislation	55	55
	70	70

6. Directors' remuneration

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**	Year Ended 31 March 2016
	£	£	£	£	£	**£**	£
Executive directors							
Martin Beck (resigned 31st March 2016)	–	–	–	–	–	**–**	364,604
Guy Cleaver (appointed 4th August 2016)	128,219	–	–	1,441	–	**129,660**	–
Nitil Patel (appointed 5th September 2016) **	88,329	–	11,667	631	–	**100,626**	–
Non-executive directors							
Sir William Wells	40,000	–	–	–	–	**40,000**	40,833
The Lord Adonis	30,000	–	–	–	–	**30,000**	30,000
Diane Lees (appointed 5th September 2016)	14,247	–	–	–	–	**14,247**	–
Cheryl C. Jones*	25,000	–	–	1,620	–	**26,620**	25,000
Total	325,795	–	11,667	3,691	–	**341,152**	460,437

* Strategic consultancy services were provided to the Group to the value of £254,250. See related party transactions note 26.

** Prior to being appointed to the Board, N Patel was paid £22,500 (2016: £Nil) for financial consultancy. See related party transactions note 26.

Directors' interests

The current Directors and their interests in the share capital of the Company at 31 March 2017 are disclosed within the Directors' Report.

Key management compensation

The compensation for key management is wholly short term employee benefit.

	Year Ended 31 March 2017 £	Year Ended 31 March 2016 £
Remuneration of senior management	**125,000**	404,957

7. 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 2017	Year Ended 31 March 2016
Editorial and production staff	123	96
Sales and marketing staff	41	57
Managerial and administration staff	32	57
	196	210

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
The aggregate payroll costs in respect of these employees (including executive directors) were:		
Wages and salaries	7,691	7,583
Social security costs	944	868
Pension and other costs	50	45
Share based payment charge/(credit)	9	(3)
	8,694	8,493

8. Finance income

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Bank interest receivable	19	26

9. Financing costs

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Net exchange losses	399	47
	399	47

10. Taxation

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Current tax		
Current tax on income for the year at 20.0% (2016: 20%)	60	5
Adjustments in respect of prior periods	–	–
	60	5
Overseas tax		
Current tax expense on income for the year at 20.0% (2016: 20%)	–	–
Total current tax expense	60	5
Deferred tax (see note 22)		
Origination and reversal of temporary differences	(36)	68
Effect of change in tax rate	(40)	(37)
Total deferred tax income	(76)	31
Total income tax (credit)/charge	(16)	36

The tax charge for the year differs from the standard rate of corporation tax in the UK of 20% (2016: 20%). The differences are explained below:

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Income tax reconciliation		
profit before tax	1,547	1,122
Notional tax charge at standard rate of 20% (2016: 20%)	309	224
Effects of:		
Expenses not deductible for tax purposes	135	9
Accelerated capital allowances and temporary differences	(40)	(74)
Adjustments to tax charge in respect of prior periods	(250)	–
Research and development claim	(67)	–
Deferred tax recognised	(128)	–
Utilisation of tax losses and tax credits	25	(123)
Total income tax (credit)/expense	(16)	36

11. Earnings per share

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Profit attributable to shareholders	**1,563**	1,086
Add: non-recurring items net of tax	**221**	544
Add: amortisation of intangible assets acquired through business combinations	**584**	629
Add: net exchange losses	**331**	–
Credit/Deduct: share based payment	**9**	(3)
Adjusted profit attributable to shareholders post tax	**2,708**	2,256

	Year Ended 31 March 2017 Ordinary shares	Year Ended 31 March 2016 Ordinary shares
Weighted average number of shares		
In issue during the year – basic	**340,840,953**	340,305,953
Adjustment for share options	**1,250,000**	1,785,000
In issue during the year – diluted	**342,090,953**	342,090,953
Earnings per share on continuing operations		
Basic	**0.46 p**	0.32 p
Diluted	**0.46 p**	0.32 p
Adjusted earnings per share on continuing operations		
Basic	**0.79 p**	0.66 p
Diluted	**0.79 p**	0.66 p

12. Goodwill

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'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 2017 £'000	Year Ended 31 March 2016 £'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 in income and costs.

The Group assessed whether the carrying value of goodwill was supported by the discounted cash flow forecasts of the political division based on financialforecasts approved by management covering a five year period, taking in to account both past performance and expectations for future marketdevelopments. Management has used a five year model predominantly because the earn out models used on acquisitions have been based on five yearscenarios. 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 (2016: £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 2017/18 were projected based on the budget for 2017/18;
- 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 8.92%.

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.

13. Intangible assets

	Assets acquired through business combinations £'000	Software £'000	Total £'000
Cost			
At 1 April 2015	24,215	3,814	28,029
Additions – internally generated	–	244	244
At 31 March 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**
Amortisation			
At 1 April 2015	15,738	2,233	17,971
Charged in year	629	412	1,041
At 31 March 2016	16,367	2,646	19,013
Reclassified to property, plant and equipment		(71)	(71)
Charged in year	584	368	952
Disposals	–	(1,954)	(1,954)
At 31 March 2017	**16,951**	**989**	**17,940**
Net book value			
At 31 March 2015	8,477	1,581	10,058
At 31 March 2016	7,848	1,412	9,260
At 31 March 2017	**7,264**	**1,447**	**8,711**

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 2015	19,193	1,277	2,951	640	154	24,215
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**
Amortisation						
At 31 March 2015	10,831	1,277	2,836	640	154	15,738
Charged in year	577		52			629
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**
Net book value						
At 31 March 2015	8,362	–	115	–	–	8,477
At 31 March 2016	7,785	–	63	–	–	7,848
At 31 March 2017	**7,253**	**–**	**11**	**–**	**–**	**7,264**

No intangible assets have an indefinite useful economic life.
Included within intangible assets are internally generated assets with a net book value of £1,335,000 (2016: £1,405,000).

14. Property, plant and equipment

	Leasehold improvements £'000	Equipment and fixtures and fittings £'000	Total £'000
Cost			
At 1 April 2015	567	582	1,149
Additions	75	33	108
At 31 March 2016	642	615	1,257
Reclassified from fixd intangible assets	–	79	79
Additions	1,709	821	2,530
Disposals	(623)	(425)	(1,048)
At 31 March 2016	**1,728**	**1,090**	**2,818**
Depreciation			
At 1 April 2015	412	429	841
Charge for the year	130	100	230
At 31 March 2016	542	529	1,071
Reclassified from fixd intangible assets	27	44	71
Charge for the year	160	141	301
Disposals	(623)	(425)	(1,048)
At 31 March 2016	**106**	**289**	**395**
Net book value			
At 1 April 2015	155	153	308
At 31 March 2016	100	86	186
At 31 March 2017	**1,622**	**801**	**2,423**

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

15. Subsidiaries

The results of each of the following principal subsidiary undertakings have been included in the Group accounts as at 31 March 2016 and 2017:

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
Le Trombinoscope SAS	Publishing	100	France
Total Politics Limited	Publishing	100	England and Wales
Holyrood Communications Limited	Publishing	100	Scotland

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.

16. Investments in associates

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 share of the loss since acquisition was £40 and as at the year end the carrying value of the investment in the associate was £nil. As at the year end the Group had loaned SFA £200,000 (2016: £nil) and is scheduled to transfer a further £500,000. The total unsecured loan of £700,000 carries no interest rate charge.

17. Inventories

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Finished goods	**35**	41
	35	41

18. 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 2017 £'000	Year ended 31 March 2016 £'000
Financial assets		
Trade and other receivables	**2,237**	1,453
Cash and cash equivalents	**7,767**	9,083
Restricted cash held in deposit account	**1,266**	–
	11,270	**10,536**
Non-financial instruments		
Trade and other payables	**(7,011)**	(5,819)
	(7,011)	(5,819)
Net financial assets and liabilities	**4,259**	4,717
Plant, property and equipment	**2,423**	188
Goodwill	**13,282**	13,282
Other intangible assets	**8,711**	9,260
Long term loan	**200**	–
Prepayments	**568**	737
Inventories	**35**	41
Taxation payable	**(1,447)**	(1,657)
Provisions for deferred tax	**(763)**	(839)
	23,009	21,012
Total equity	**27,268**	25,729

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

Credit risk
Credit risk is the risk of financial loss to the company 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 2017, £203,000 of the Group's trade receivables were exposed to risk in countries other than the United Kingdom (31 March 2016: £463,000).

	Gross	**Provided**	Gross	Provided
	Year ended 31 Mar 2017 £'000	**Year ended 31 Mar 2017 £'000**	Year ended 31 Mar 2016 £'000	Year ended 31 Mar 2016 £'000
The ageing of trade receivables at the reporting date was:				
Overdue by less than 3 months	**1,663**	**41**	1,616	175
Overdue by greater than 3 months	**47**	**24**	45	45
	1,710	**65**	1,661	220

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 2017 £'000	Year ended 31 Mar 2016 £'000
Balance at beginning of year	**220**	249
Movement	**(155)**	(29)
Balance at end of year	**65**	220

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 meetingsof the Company. For further details of share capital see note 23.

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 2017, it is estimated that a general increase of one percentage point in interest rates would have decreased the groups profit before taxby approximately £nil (2016: £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 £5,000 (2016: £14,000)

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 pricingproducts and services commensurately with the level of risk.

19. Other financial assets

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Trade and other receivables		
Trade receivables	**1,645**	1,441
Other receivables	**592**	12
Prepayments and accrued income	**568**	737
	2,805	2,190

Trade and other receivables denominated in currencies other than Sterling comprise £214,358 (31 March 2016: £354,000) denominated in Euros.

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Cash at Bank		
Cash and cash equivalents	**7,767**	9,083
Restricted cash held in deposit account	**1,266**	–
	9,033	9,083

Cash includes £645,000 (2016: £278,000) denominated in Euros.

Included in cash at bank is a rental deposit of £1,266,000 (2016:£nil) 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.

20. Current liabilities

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Trade and other payables		
Trade creditors	**1,441**	683
Other creditors including tax and social security	**1,447**	1,655
Accruals and deferred income	**5,570**	5,136
	8,458	7,474

Trade creditors and accruals comprise amounts outstanding for trade purchases and ongoing costs. The average credit year taken for trade purchases is 26 days (2016: 23 days).

Current liabilities denominated in currencies other than Sterling compromise £39,456 (2016: £18,000) denominated in Euros.

21. Interest bearing loans and borrowings

The Group has no borrowings.

22. Deferred tax liability

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

	Liabilities			Assets		
	Intangible assets £'000	Other Timing Differences £'000	Accelerated capital allowances £'000	Tax losses £'000	Employee benefits £'000	**Total £'000**
At 31 March 2015	1,063	151	(191)	(215)	–	**808**
Effect of change in tax rate	(51)	14	–	–	–	**(37)**
Charge to income	(47)	48	(42)	25	–	**(68)**
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**

Deferred tax assets and liabilities have been offset in both the current 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 £5,720,000 (31 March 2016: £7,083,000) available for offset against future profits. A deferred tax asset of £190,000 (31 March 2016: £190,000) has been recognised in respect of such losses.

23. Called–up share capital

	9p deferred shares Number	1p ordinary shares Number	**£'000**
Issued share capital at 31 March 2016	151,998,453	340,305,953	**17,073**
Exercise of share options	–	535,000	**5**
At 31 March 2017	**151,998,453**	**340,840,953**	**17,088**

At an extraordinary meeting of shareholders on 7 February 2012 members adopted a new set of Articles of Association and also a 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 into two. Deferred shares, holders of which do not have the 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 other distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of 1pence in aggregate. The deferred shares are also incapable of transfer and no share certificate will be issued.

During the year the Company issued 535,000 Ordinary Shares on the exercise of employee share options for cash consideration of £53,500 of which £5,350 was credited to share capital and £48,150 to share premium.

24. Operating lease arrangements

Total commitments under non-cancellable leases are as follows:

	Year ended 31 Mar 2017 Land and Buildings £'000	Year ended 31 Mar 2016 Land and buildings £'000
Expiry date:		
– within one year	**1,137**	194
– between two and five years	**5,494**	269
– after five years	**3,431**	–
	10,062	463

25. Share based payments

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 2016	Lapsed	Exercised	**Outstanding options at 31 March 2017**
6 May 2009	350,000	–	(200,000)	**150,000**
4 November 2010	435,000	–	(335,000)	**100,000**
Total	785,000	–	(535,000)	**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 period 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.

EMI Share Option Scheme

Grant date	Outstanding options at 1 April 2016	Lapsed	**Outstanding options at 31 March 2017**
22 May 2013	1,000,000	–	**1,000,000**
Total	1,000,000	–	**1,000,000**

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 2015	5,620,000	6.8p
Lapsed during the period	(3,300,000)	5.9p
Exercised during the year	(535,000)	10.0p
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**

The following options were outstanding under the Company's Executive Share Option Scheme and EMI scheme as at 31 March 2017:

Granted	Number of Ordinary shares	Exercise price per share (p)	Exercise Period
Executive Share Option Scheme			
6 May 2009	150,000	10.0 p	May 12 – 2019
4 November 2010	100,000	10.0 p	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 p	May 2016 –2023
As at 31 March 17	**1,250,000**		

The options outstanding at the year–end have an exercise price of 5.5p and 10p and a weighted average contractual life of 5.6 years.

The income statement charge in respect of the EMI Share Option Scheme for the year was £8,600 (2016: credit of £3,000).

26. Related party transactions

Non–executive Chairman Cheryl C. Jones is also a director of CC Jones Consulting Ltd, who provided strategic consultancy services to Dods Group PLC to the value of £254,250 for the year ended 31 March 2017 (2016: £162,500) (also refer to note 6 detailing directors remuneration).

Executive director Nitil Patel, who is also a director of Soma21 Limited, provided financial consultancy to the value of £22,500 (2016:£nil). (also refer to note 6 detailing directors remuneration).

Company statement of financial position

at 31 March 2017

	Note	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
Fixed assets			
Intangible assets	29	**1,221**	1,289
Tangible fixed assets	30	**2,291**	17
Investments	31	**20,511**	20,511
Total fixed assets		**24,023**	21,817
Current assets			
Debtors	32	**4,346**	6,458
Cash	33	**3,540**	4,238
Total fixed assets		**7,886**	10,696
Non-current assets			
Long-term loan	16	**200**	–
Total non-current assets		**200**	–
Total assets		**32,109**	32,513
Capital and reserves			
Called-up share capital	36	**17,088**	17,083
Share premium account	37	**8,106**	8,058
Merger reserve	37	**409**	409
Profit and loss account	37	**4,362**	4,198
Total equity	37	**29,965**	29,748
Current liabilities			
Trade and other payables	34	**1,768**	2,389
Total current liabilities		**1,768**	2,389
Non-current liabilities			
Other payables	35	**376**	376
Total non-current liabilities		**376**	376
Total equity and liabilities		**32,109**	32,513

The accompanying notes form an integral part of this 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
25 May 2017

Notes to the parent company financial statements

27. Accounting Policies

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

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 FRS 102 Limited 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.

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.

Tax

The charge for taxation is based on the profit for the period. Deferred tax is recognised with discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, as allowed by Financial Reporting Standard 19: "Deferred tax".

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	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.

Impairment losses recognised in respect of income–generating units are allocated first to reduce the carrying amount of any goodwill allocated to income–generating units, then to any capitalised intangible asset and finally to the carrying amount of the tangible assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

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
Financial assets and financial transactions are recognised on the Company's balance sheet when the Company 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 Company after deducting all of its liabilities, and includes no contractual obligations upon the Company 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 Company, or, 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.

28. Staff costs

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

	31 March 2017	31 March 2016
Managerial and administration staff	**7**	7

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

	31 March 2017 £'000	31 March 2016 £'000
Wages and salaries	**651**	707
Social security costs	**94**	50
Pension and other costs	**6**	11
Share based payment charge/(credit)	**9**	(3)
	760	765

Detailed disclosures on directors' remuneration are given in note 6

29. Intangible assets

Publishing rights	Total £'000
Cost	
At 31 March 2016	1,357
At 31 March 2017	**1,357**
Amortisation	
At 31 March 2016 Charge in the year	68 68
At 31 March 2017	**136**
Net book value At 31 March 2016	 1,289
At 31 March 2017	**1,221**

30. Tangible fixed assets

	Leasehold improvements £'000	Software £'000	**Total £'000**
Cost			
At 31 March 2016	101	15	116
Additions	1,709	733	2,442
Disposals	(101)	–	(101)
At 31 March 2017	**1,709**	**748**	**2,457**
Depreciation			
At 31 March 2016	84	15	99
Charge in the year	106	62	168
Disposals	(101)	–	(101)
At 31 March 2017	**89**	**77**	**166**
Net book value			
At 31 March 2016	17	–	17
At 31 March 2017	**1,620**	**671**	**2,291**

31. Fixed asset investments

	Subsidiary undertakings £'000	Total £'000
Cost		
At 31 March 2016	20,511	20,511
At 31 March 2017	**20,511**	**20,511**

Detailed disclosures on subsidiary undertakings and associates are given in note 15 and note 16 respectively.

32. Trade and other receivables

	31 March 2017 £'000	31 March 2016 £'000
Other debtors	**23**	–
Amounts owed by group undertakings	**4,070**	6,413
Prepayments and accrued income	**253**	44
	4,346	6,458

33. Cash and cash equivalents

	31 March 2017 £'000	31 March 2016 £'000
Cash and cash equivalents	**3,540**	4,238

34. Trade and other payables: Amounts falling due after more than one year

	31 March 2017 £'000	31 March 2016 £'000
Trade creditors	**–**	–
Amounts owed to group undertakings	**1,101**	1,686
Other creditors including tax and social security	**(2)**	56
Deferred tax liability	**87**	153
Accruals and deferred income	**582**	494
	1,768	2,389

The elements of deferred tax are as follows:

	Year Ended 31 March 2017 £'000	Year Ended 31 March 2016 £'000
Accelerated capital allowances	**(30)**	–
Tax losses	**8**	4
Other timing differences	**(65)**	(157)
Deferred tax liability	**(87)**	(153)

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

	£'000
At 31 March 2016	(153)
Credit to the profit and loss account	66
At 31 March 2017	**(87)**

35. Trade and other payables: Amounts falling due after more than one year

	31 March 2017 £'000	31 March 2016 £'000
Amounts owed to group undertakings	**376**	376
	376	376

36. Share capital

	9p deferred shares Number	1p ordinary shares Number	**£'000**
Issued share capital at 31 March 2016	151,998,453	340,305,953	17,083
Exercise of share options	535,000	5	
At 31 March 2017	**151,998,453**	**340,840,953**	**17,088**

During the year the company issued 535,000 Ordinary Shares on the exercise of employee share options for cash consideration of £53,500 of which £5,350 was credited to share capital and £48,150 to share premium.

37. Reconciliation of movement in shareholders' funds

	Share Capital £'000	Share premium £'000	Merger reserve £'000	Profit and loss account £'000	**Total £'000**
At 1 April 2016	17,083	8,058	409	4,198	**29,748**
Profit for the period	–	–	–	170	**170**
FRS 20 reserve	–	–	–	(6)	**(6)**
Issue of Ordinary shares	5	48	–	–	**53**
At 31 March 2017	**17,088**	**8,106**	**409**	**4,362**	**29,965**

38. Operating lease arrangements

Total commitments under non-cancellable leases are as follows:

	31 March 2017 Land and buildings £'000	31 March 2016 Land and buildings £'000
Expiry date:		
– within one year	**1,056**	119
– between two and five years	**5,279**	–
– after five years	**3,431**	–
	9,766	119

Shareholder Information

Shareholder Analysis

As at 1 May 2017, the number of registered shareholders was 713 and the number of Ordinary shares in issue was 340,840,953.

Range of Holdings	Number of Shareholders	Percentage of Top Shareholders	Number of Shares (million)	Percentage of Total Shares
1 to 1,500	319	44.76%	216,456	0.06%
1,501 to 5,000	163	22.86%	481,016	0.14%
5,001 to 10,000	57	7.99%	430,139	0.13%
10,001 to 50,000	90	12.62%	2,131,021	0.63%
50,001 to 100,000	28	3.93%	1,930,794	0.57%
100,001 to 250,000	16	2.24%	2,368,185	0.69%
250,001 to 500,000	9	1.26%	3,167,093	0.93%
500,001 to 1,000,000	13	1.82%	9,848,725	2.89%
1,000,001 to 2,500,000	3	0.42%	5,466,906	1.60%
2,500,001 to 5,000,000	6	0.84%	19,363,736	5.68%
5,000,001 to highest	9	1.26%	295,436,882	86.68%
Total	713	100.0%	340,840,953	100.0%
Held By:				
Individuals	575	80.65%	13,601,268	3.99%
Institutions and Companies	138	19.35%	327,239,685	96.01%
Total	713	100.0%	340,840,953	100.0%

Company Registrar

Equiniti provide a range of shareholder information on-line. You can check your holding and find practical help on transferring shares and updating your personal details at www.sharereview.co.uk. Equiniti may also be contacted on 0371 384 2639 or by writing to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. Contact centre hours are Monday to Friday from 8:30am to 5:00pm.

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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 2017 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.

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