Dods (Group) PLC
YEAR END RESULTS (AUDITED)

Financial Highlights

- Revenue of £19.6 million (2015: £18.3 million)
- Gross profit margin at 38% (2015: 29%)
- Adjusted EBITDA at £3.0 million (2015 £1.2 million) *
- Cash generated from operations in the year was £3.5 million (2015 £1.4 million)
- Net cash of £9.1 million at 31 March 2016 (at 31 March 2015: net cash of £5.9 million)
- Reported profit before tax £1.1 million (2015: loss £5.0 million)
- Adjusted EPS 0.66 pence (2015: 0.13 pence)

*EBITDA is calculated as earnings before interest, tax, depreciation, amortisation of intangible assets acquired through business combinations, share based payments and non-recurring items

Cheryl Jones, Chairman, commented:
"I am pleased to report Dods Group achieved a strong set of results for the fiscal year ending 31 March 2016. This was a pivotal year for Dods in the development and early execution of the Group's business plan."

Performance

During the year, Dods' revenue increased 7% to £19.6m. Gross margin for the Group increased to 38% compared to 29% in the prior year. The Group achieved adjusted EBITDA of £3.0m versus £1.2m in the comparative period. Adjusted EPS for the fiscal year was 0.66p compared to 0.13p for the prior year.

The increase in adjusted EBITDA is a result of top line growth and restructuring initiatives. Initial efficiency plan results are reflected in the increase in gross margin.

Cash generated from operations was £3.5m versus £1.4m in the prior fiscal year. Cash benefitted from improvements made in operational process, particularly the timeliness and operational flow of information from the sales and service functions into the back office. Additionally, cash benefitted from an improvement of debtor days from 42 days in the prior year to 37 days in the current year. The Group will continue its emphasis on both cash conversion and cash generation going forward as an essential component of the Dods' business model.

Progress

During the year, the events and training areas of the business were realigned to a more specialised, scalable operational structure. Timely completion of this realignment was a significant priority to prepare the teams for the expected increase in demand for these services.

A go-to-market effectiveness review of the information and media areas was concluded. As a result, a client portfolio marketing approach was introduced to the business, augmenting the existing product sales method. This enhancement will further support the development of client-centric and sector specific service programs for our subscriber and subscriber led businesses in the coming fiscal year.

The service delivery infrastructure of our diverse portfolio of digital media products is being consolidated into a singular development and content management platform. This initiative is foundational to support a premium client experience and new content monetisation strategies.

Certain initiatives planned for the information area of the business were not concluded. At the time of this report, the information business is being refocussed to allow expansion of our research and insight products, to further the development of client work flow solutions and to support retention programs.

Dods' business model is reliant on digital platforms to provide a premium client experience and efficient workflow. Leadership committed to pursuing International Organisation for Standardisation (ISO) certification and formalised an internal program during the fiscal year. Specifically, ISO 27001:2013 defines best practice for an information security management system which is a set of policies concerned with the management of technology related risk.

In parallel to the Group's pursuit of ISO certification, Dods received Cyber Essentials PLUS certification in March 2016. Cyber Essentials is a government-backed, industry support scheme to help organisations protect themselves against cyber-attacks. Both of these certifications are important to assist in the protection of our clients and shareholders from related risks. Moreover, these certifications require a disciplined process approach and help institutionalise continuous improvement in service delivery and efficiency programmes.

Priorities
The Group competes within a dynamic marketplace and on a daily basis there are opportunities for both progression and distraction. In order to provide continued improvement in financial results and drive an appropriate return to our shareholders, the cornerstone of Company's business approach must be to remain vigilantly focussed on its stated priorities.

Moreover, Dods recognises that in this highly dynamic marketplace, it needs to align the organisation to a unified set of objectives which underpin a "Client for Life" philosophy. Accordingly, Dods' priorities have been set out as:

- Choose the markets we wish to lead, and lead them
- Recognise emerging market trends - look around the corner
- Employ talented and skilled staff
- Drive commercial sustainability through process integrity
- Practice intelligent use of resources - think like owners
- Achieve speed-to-market solutions

Outlook
The Board of Directors believes that by employing the aforementioned approach, the Company is well-positioned to achieve its financial objectives and marketplace goals in the coming year. As the financial performance of the Company improves, the Board of Directors will consider the payment of dividends in the future, taking into account the Company’s available cash resources. The Board also believes that the Company’s strengthening platform allows opportunities for acquisitive growth. Dods will closely monitor the market in order to identify the most attractive acquisition targets.

In March 2016, the Board announced that Martin Beck stepped down as a director with immediate effect and resigned as Chief Executive Officer. Guy Cleaver was promoted to the role of Chief Operating Officer, and assumed responsibility for all the Group's businesses with immediate effect. The Board plans to finalise the structure of the management team in the near term.

On behalf of the Board, I would like to recognise the efforts of management and each of the associates of Dods Group, and thank them for their determination and spirit of excellence. While Dods is not yet the Company it intends to become, this was a pivotal year in building the foundation for continued development and future performance.

Strategic report

Our business

Dods is a specialist content, media services and events company delivering information and analysis across multiple platforms. We provide the key information and insights required by our global client base to understand, navigate and engage in the political and public policy environments across the United Kingdom and European Union.

Specifically, content and expert insight is provided through a range of full-service mediums including, live events, online engagement programmes, face-to-face training, digital, print, and bespoke research. The Dods Group portfolio of brands, products and services include:

Digital & Print Media

Dods' print, web and social media operations deliver unique news, comment and expert analysis, while providing channels for our customers to engage with senior decision-makers. Our brands are all market leaders in their fields and include The House, Total Politics, PoliticsHome, Civil Service World, Holyrood, Training Journal, Le Trombinoscope, and Parliament Magazine.

Events

Our media brands are leveraged by our event organisers, reflecting each title's mission, audience and authority. Our full array of engagement events include: exhibitions, summits and round tables that allow targeted engagement between customers and decision-makers; policy briefing events that explain recent developments to attendees and inform them of the likely impact on their organisations and sectors; training programmes for UK and international public servants designed to provide them the skills to formulate and deliver policy; and organise awards events to celebrate best practice and achievement.

Information & Insight Services

Dods is the market-leading brand for information monitoring, political and public sector insight services and bespoke research for institutions and stakeholders in the UK and EU. Dods also provides the most comprehensive and current source for contact and biographical data on political and public sector figures, both through online subscriptions and in print media format.

We ensure our customers are kept informed of pertinent policy developments and enable clients to use this data to track and communicate with decisions-makers across areas of strategic importance to their organisation. 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. These insights feed into our clients' corporate, communications, and public affairs strategies.

Key financial information

	12 months ended 31-Mar-16 £'000	12 months ended 31-Mar-15 £'000	12 months ended 31-Mar-14 £'000
Revenue	**19,620**	18,301	19,775
Gross Profit Margin	**38%**	29%	29%
Reported earnings before tax	**1,122**	(4,971)	(1,488)
Adjustments			
Adjustment to amortisation of intangible assets acquired through business combinations following product reviews	**-**	2,781	-
Non recurring restructuring costs	**518**	632	294
Non recurring amortisation cost following software and systems review	**-**	578	-
Non recurring other items	**26**	340	181
Adjusted EBIT	**1,666**	(640)	(1,013)
Net finance costs	**21**	63	44
Depreciation of property, plant and equipment	**230**	228	225
Amortisation of software intangible assets	**412**	763	803
Amortisation of intangible assets acquired through business	**629**	791	1,026
Adjusted EBITDA	**2,958**	1,205	1,085

Business review

During fiscal year 2016, revenue increased to £19.6m, representing 7% growth over the prior year. Adjusted EBITDA was £3.0m versus £1.2m in the prior year. Cash generated from operations was £3.5m compared to £1.4m in the prior year.

The improvement in adjusted EBITDA is a result of improved operational focus, restructuring initiatives, and the benefits derived from the initial stage of efficiency planning. The results of these programmes are also reflected in the year- over-year increase in gross profit margin to 38%.

Beginning in the first quarter of fiscal year 2016, the programme development and service delivery teams of the events and training areas were realigned to provide scalability and enable the company to capture the immediate market growth potential for these services. These efforts were successful and the events and training businesses increased revenues by 16% year over year.

The initiatives required for the information and media products were not completed in the fiscal year as envisaged. Therefore, subscriber base expansion and retention programs were delayed. Year-over-year revenue for these businesses were relatively flat with less than 2% growth.

At the time of writing of this document, the information business is being refocused to allow expansion of our research and insight products and further develop client work flow solutions. In addition, the service delivery infrastructure of our diverse portfolio of digital media products is being consolidated to a singular development and content management platform. These initiatives are paramount to support an enhanced user experience, future growth opportunities and new content monetisation strategies.

The business strategy today is reliant on digital platforms and delivery systems, requires an efficient infrastructure, and is dependent on technology-enabled workflows for subscribers and clients. Accordingly, leadership has committed to pursue International Organization for Standardization (ISO) certification.

Specifically, ISO 27001:2013 defines best practice for an information security management system (ISMS) which is a set of policies concerned with the management of technology-related risk. The

ISMS itself is a coherent and documented set of policies, processes and systems to manage risks to a company's information assets (hardware, software, confidential information), protecting them from illicit use, disclosure, distribution and/or theft resulting in loss to the organization.

In parallel to the Group's pursuit of ISO certification, Dods received Cyber Essentials PLUS certification in March 2016. Cyber Essentials is a government-backed, industry support scheme to help organizations protect themselves against cyber-attacks. From 1 October 2014, government requires all suppliers bidding for certain sensitive and personal information handling contracts to be certified against the Cyber Essentials scheme. Additionally, subcontractors must be equally compliant.

The Group is aligning all strategic objectives and initiatives to underpin our overarching "Client for Life" philosophy. Below are the primary pillars that support our priorities and guide the use of our resources.

- **One Company** - Provide a unified, easy-to-understand and navigate client experience
- **Process Driven Infrastructure** - Provide consistently reliable product and service by ensuring internal teams are functionally aligned and operating efficiently
- **Go-to-Market Effectiveness** - Speed to market, product innovation, emerging trends
- **Content Monetisation** - Enhance client and user experience by offering modular product and service solutions and drive consumer awareness through the continual cross-promotion of product and service offerings

CONSOLIDATED INCOME STATEMENT
for the year ended 31 March 2016

	Note	**Year ended 31 March 2016**	Year ended 31 March 2015
		£'000	£'000
Continuing Operations			
Revenue	3	**19,620**	18,301
Cost of sales		**(12,172)**	(13,104)
Gross profit		**7,448**	5,197
Administrative expenses:			
Non-recurring items	4	**(544)**	(1,550)
Amortisation of intangible assets acquired through business combinations	5, 13	**(629)**	(1,904)
Impairment of intangible assets acquired through business combinations	5, 13	**-**	(1,668)
Other administrative expenses	5	**(5,132)**	(4,989)
Total administrative expenses		**(6,305)**	(10,111)
Operating profit/(loss)		**1,143**	(4,914)
Finance income	8	**26**	32
Financing costs	9	**(47)**	(89)
Profit/(loss) before tax	5	**1,122**	(4,971)
Income tax (charge)/credit	10	**(36)**	292
Profit/(loss) for the year attributable to equity holders of parent company		**1,086**	(4,679)
Profit/(loss) per share			
Basic	11	**0.32 p**	(1.38) p
Diluted	11	**0.32 p**	(1.35) p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2016

	Year ended 31 March 2016	Year ended 31 March 2015
	£'000	£'000
Profit/(loss) for the year	**1,086**	(4,679)
Items that will be subsequently reclassified to Profit and Loss		
Exchange differences on translation of foreign operations	**(2)**	(62)
Other comprehensive income for the year	**(2)**	(62)
Total comprehensive income in the year attributable to equity holders of parent company	**1,084**	(4,741)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2016

	Note	2016 £'000	2015 £'000
Goodwill	12	**13,282**	13,282
Intangible assets	13	**9,260**	10,058
Property, plant and equipment	14	**186**	308
Non-current assets		**22,728**	23,648
Inventories	16	**41**	74
Trade and other receivables	18	**2,190**	2,971
Cash at bank and in hand	18,25	**9,083**	5,908
Current assets		**11,314**	8,953
Income tax payable		**(5)**	(30)
Trade and other payables	19	**(7,469)**	(7,168)
Current liabilities		**(7,474)**	(7,198)
Net current assets		**3,840**	1,755
Total assets less current liabilities		**26,568**	25,403
Deferred tax liability	21	**(839)**	(808)
Non-current liabilities		**(839)**	(808)
Net assets		**25,729**	24,595
Equity attributable to equity holders of parent			
Issued capital	22	**17,083**	17,078
Share premium		**8,057**	8,009
Other reserves		**409**	409
Retained profit/(deficit)		**221**	(882)
Share option reserve		**27**	47
Translation reserve		**(68)**	(66)
Total equity		**25,729**	24,595

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:

Cheryl C. Jones
Chairman

23 May 2016

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2016

	Share capital	Share premium	Merger reserve	Retained earnings	Translation reserve	Share option reserve	**Total shareholders' Funds**
	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
At 31 March 2014	17,078	8,009	409	3,367	(4)	471	**29,330**
Total comprehensive loss							
Loss for the year	-	-	-	(4,679)	-	-	**(4,679)**
Other comprehensive loss							
Currency translation differences	-	-	-	-	(62)	-	**(62)**
Lapsed option transfer	-	-	-	430	-	(430)	**-**
Share based payment	-	-	-	-	-	6	**6**
At 31 March 2015	**17,078**	**8,009**	**409**	**(882)**	**(66)**	**47**	**24,595**
Total comprehensive loss							
Profit for the year	-	-	-	1,086	-	-	**1,086**
Other comprehensive loss							
Currency translation differences	-	-	-	-	(2)	-	**(2)**
Transactions with 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**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2016

	Note	**Year ended 31 March 2016 £'000**	Year ended 31 March 2015 £'000
Profit/(loss) for the year		**1,086**	(4,679)
Depreciation of property, plant and equipment		**230**	228
Amortisation of intangible assets acquired through business combinations	13	**629**	1,904
Amortisation of other intangible assets	13	**412**	763
Accelerated amortisation of software intangibles	4	**-**	578
Impairment of intangible assets acquired through business combinations	13	**-**	1,668
Share based payments (credit)/charge		**(3)**	6
Net finance costs		**21**	57
Income tax charge/(credit)		**36**	(292)
Operating cash flows before movements in working capital		**2,411**	233
Change in inventories		**33**	50
Change in trade and other receivables		**781**	788
Change in trade and other payables		**300**	378
Cash generated by operations		**3,525**	1,449
Taxation paid		**(30)**	-
Net cash from operating activities		**3,495**	1,449
Cash flows from investing activities			
Interest and similar income received	8	**26**	32
Acquisition to property, plant and equipment	14	**(108)**	(73)
Additions to intangible assets	13	**(244)**	(638)
Net cash used in investing activities		**(326)**	(680)
Cash flows from financing activities			
Proceeds from issue of share capital	22	**54**	-
Interest and similar expenses paid	9	**(47)**	(89)
Net cash from/(used) in financing activities		**7**	(89)
Net increase in cash and cash equivalents in continuing operations		**3,176**	679
Opening cash and cash equivalents		**5,908**	5,291
Effect of exchange rate fluctuations on cash held		**(1)**	(62)
Closing cash and cash equivalents in continuing operations	24	**9,083**	5,908

Notes to the financial statements
31 March 2016

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 2016 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 derivative financial instruments which are stated at their fair value, and non-current assets and disposal groups held for sale 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 2016 of £3,840,000 (2015: £1,755,000). The Directors have considered the implications for Going Concern below.

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 17 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 (parent company and its subsidiaries referred to as 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.

The financial information does not constitute the Group's statutory accounts, but is derived from those accounts. This financial information has been agreed with the auditors for release. The consolidated financial information is prepared on the basis of the accounting policies states in the Group's Annual Report 2016. The accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

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 of 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 lists	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 3-6 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, fixtures and fittings	5 years
IT Equipment	3 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.

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.

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 3-6 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 17.

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 21.

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 Group's principal activity is the curation and aggregation of high quality information and data and the provision of services through a combination of online information and digital services, training courses, conferences and events publications, and other media. The Group operates primarily in the UK, Belgium and France and has market-leading positions in much of its portfolio. These products and services can be paired and bundled to provide comprehensive 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 2016 £'000	Year ended 31 Mar 2015 £'000	**Year ended 31 Mar 2016 £'000**	Year ended 31 Mar 2015 £'000	**Year ended 31 Mar 2016 £'000**	Year ended 31 Mar 2015 £'000
UK	**15,376**	14,109	**33,531**	32,076	**352**	711
Continental Europe and rest of world	**4,244**	4,192	**511**	525	**-**	-
Continuing operations	**19,620**	18,301	**34,042**	32,601	**352**	711

4 Non-recurring items

	Year ended 31 Mar 2016 £'000	Year ended 31 Mar 2015 £'000
Accelerated amortisation of software intangibles	**-**	578
Payments in lieu of notice, compensation for loss of office and associated legal fees	**218**	386
Redundancy and people related costs	**300**	246
Strategic consultancy	**-**	83
Office relocation	**26**	**-**
Closure of Cambridgeshire Office	**-**	46
Impairment of Debtor Balances	**-**	211
	544	1,550

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 / (loss) before tax

Profit / (loss) before tax has been arrived at after charging:	**Year ended 31 Mar 2016**	Year ended 31 Mar 2015
	£'000	£'000
Impairment of intangible assets	**-**	1,668
Depreciation of property, plant and equipment	**230**	228
Amortisation of intangible assets acquired through business combinations	**629**	1,904
Amortisation of other intangible assets	**412**	763
Staff costs (see note 7)	**8,493**	9,231
Non-recurring items (see note 4)	**544**	1,550
Operating lease charge	**320**	398

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**	59
	70	74

6 Directors' remuneration

The remuneration of the directors of the Company for the year ended 31 March 2016 is set out below:

	Salaries	Fees	Benefits	Pension contributions	Compensation for loss of office	**Year ended 31 Mar 2016**	Year ended 31 Mar 2015
	£	£	£	£	£	**£**	£
Executive directors							
M Beck (resigned 31st March 2016)	164,878	-	1,685	365	197,676	**364,604**	177,799
K Sadler (resigned 25th September 2014)	-	-	-	-	-	**-**	480,394
Non-executive directors							
The Lord Adonis	-	30,000	-	-	-	**30,000**	25,000
Sir William Wells	-	40,833	-	-	-	**40,833**	25,000
C Jones(1)	-	25,000	-	-	-	**25,000**	21,410
M Higgins (appointed 4th April 2014, resigned 25 September 2014)	-	-	-	-	-	**-**	58,872
H Marsh (resigned 19th November 2014)	-	-	-	-	-	**-**	15,833
A Wilson	-	-	-	-	-	**-**	1,667
Total	164,878	95,833	1,685	365	197,676	**460,437**	805,975

1. Strategic consultancy services were provided to the Group to the value of £162,500. See related parties note 26.

Directors' interests
The current Directors and their interests in the share capital of the Company at 31 March 2016 are disclosed within the Directors' Report.

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

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£	£
Remuneration of senior management	**404,957**	298,192

7 Staff costs

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

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Editorial and production staff	**96**	91
Sales and marketing staff	**57**	119
Managerial and administration staff	**57**	58
	210	268

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

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Wages and salaries	**7,583**	8,094
Social security costs	**868**	1,091
Pension and other costs	**45**	40
Share based payment charge/(credit)	**(3)**	6
	8,493	9,231

8 Finance income

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Bank interest receivable	**26**	32

9 Financing costs

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
On bank loans and overdrafts	**-**	8
Net exchange losses	**47**	81
	47	89

10 Taxation

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Current tax		
Current tax on income for the year at 20% (2015: 20%)	**5**	-
Overseas tax		
Current tax expense on income for the year at 20% (2015: 20%)	**-**	-
Total current tax expense	**5**	-
Deferred tax (see note 21)		
Origination and reversal of temporary differences	**68**	(171)
Effect of change in tax rate	**(37)**	(121)
Total deferred tax charge/(income)	**31**	(292)
Total income tax charge/(credit)	**36**	(292)

The tax charge for the period differs from the standard rate of corporation tax in the UK of 20% (2015: 20%).

The differences are explained below:

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Income tax reconciliation		
Profit/(loss) before tax	**1,122**	(4,971)
Notional tax charge at standard rate of 20% (2015: 20%)	**224**	(1,044)
Effects of:		
Expenses not deductible for tax purposes	**9**	6
Accelerated capital allowances and temporary differences	**(74)**	575
Difference between UK and French tax rates	**-**	187
Other	**-**	(16)
Utilisation of tax losses and tax credits	**(123)**	**-**
Total income tax charge/(credit)	**36**	(292)

11 Earnings per share

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Profit/(loss) attributable to shareholders	**1,086**	(4,679)
Add: non-trading items net of tax	**544**	1,550
Add: amortisation of intangible assets acquired through business combinations	**629**	1,904
Add: Impairment of intangible assets acquired through business combinations	**-**	1,668
(Deduct)/Add: share based payment (credit)/charge	**(3)**	6
Adjusted profit attributable to shareholders post tax	**2,256**	449

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	Ordinary shares	Ordinary shares
Weighted average number of shares		
In issue during the year - basic	**340,305,953**	339,770,953
Adjustment for share options	**1,785,000**	5,620,000
In issue during the year - diluted	**342,090,953**	345,390,953
Earnings per share		
Basic	**0.32 p**	(1.38) p
Diluted	**0.32 p**	(1.35) p
Adjusted Earnings per share		
Basic	**0.66 p**	0.13 p
Diluted	**0.66 p**	0.13 p

12 Goodwill

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Cost and Net book value	**£'000**	£'000
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 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Dods	**13,282**	13,282
	13,282	13,282

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

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

The impairment charge was £nil (2015: £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 2016/17 were projected based on the budget for 2016/17
- 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 10.2%.

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	Software	Total
	£'000	£'000	£'000
Cost			
At 31 March 2014	24,215	3,176	27,391
Additions - externally purchased	-	142	142
Additions - internally generated	-	496	496
At 31 March 2015	24,215	3,814	28,029
Additions - internally generated	-	244	244
At 31 March 2016	**24,215**	**4,058**	**28,273**
Amortisation			
At 31 March 2014	12,166	893	13,059
Charged in year	1,904	763	2,667
Non-recurring accelerated amortisation	1,668	578	2,246
Exchange adjustment	-	(1)	(1)
At 31 March 2015	15,738	2,233	17,971
Charged in year	629	412	1,041
At 31 March 2016	**16,367**	**2,646**	**19,013**
Net book value			
At 31 March 2014	12,049	2,283	14,332
At 31 March 2015	8,477	1,581	10,058
At 31 March 2016	**7,848**	**1,412**	**9,260**

Assets acquired through business combinations

	Publishing rights	Brand names	Customer relationships	Customer lists	Other assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 31 March 2014	19,193	1,277	2,951	640	154	24,215
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**
Amortisation						
At 31 March 2014	7,916	672	2,784	640	154	12,166
Charged in year	1,788	64	52	-	-	1,904
Non-recurring accelerated amortisation	1,127	541	-	-	-	1,668
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**
Net book value						
At 31 March 2014	11,277	605	167	-	-	12,049
At 31 March 2015	8,362	-	115	-	-	8,477
At 31 March 2016	**7,785**	**-**	**63**	**-**	**-**	**7,848**

No intangible assets have an indefinite useful economic life.

Included within intangible assets are internally generated assets with a net book value of £1,405,000 (2015: £1,490,000).

14 Property, plant and equipment

	Leasehold improvements	Equipment and motor vehicles	Total
	£'000	£'000	£'000
Cost			
At 31 March 2014	567	663	1,230
Additions	-	73	73
Disposals	-	(154)	(154)
At 31 March 2015	567	582	1,149
Additions	75	33	108
Disposals	-	-	-
At 31 March 2016	**642**	**615**	**1,257**
Depreciation			
At 31 March 2014	320	439	759
Charge for the year	94	134	228
Disposals	-	(144)	(144)
At 31 March 2015	412	429	841
Charge for the year	130	100	230
Disposals	-	-	-
At 31 March 2016	**542**	**529**	**1,071**
Net book value			
At 31 March 2014	247	224	471
At 31 March 2015	155	153	308
At 31 March 2016	**100**	**86**	**186**

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 2015:

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 Inventories

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Finished goods	**41**	74
	41	74

17 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 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Financial assets		
Trade and other receivables	**1,453**	2,501
Cash and cash equivalents	**9,083**	5,908
	10,536	8,409
Non-financial instruments		
Financial Liabilities:		
Current:		
Financial liabilities measured at amortised cost		
Trade and other payables	**(5,819)**	(5,719)
	(5,819)	(5,719)
Net financial assets and liabilities	**4,717**	2,690
Plant, property and equipment	**188**	308
Goodwill	**13,282**	13,282
Other intangible assets	**9,260**	10,058
Prepayments	**737**	470
Inventories	**41**	74
Taxation payable	**(1,655)**	(1,479)
Provisions for deferred tax	**(839)**	(808)
	21,012	21,905
Total equity	**25,729**	24,595

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

Credit risk

Credit risk is the risk of financial loss to the 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 and cash. 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 2016, £463,000 of the Group's trade receivables were exposed to risk in countries other than the United Kingdom (2015: £616,000).

	Gross	**Provided**	Gross	Provided
	Year ended 31 Mar 2016 £'000	**Year ended 31 Mar 2016 £'000**	Year ended 31 Mar 2015 £'000	Year ended 31 Mar 2015 £'000
The ageing of trade receivables at the reporting date was:				
Overdue by less than 3 months	**1,616**	**175**	2,650	157
Overdue by greater than 3 months	**45**	**45**	92	92
	1,661	**220**	2,742	249

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 2016	Year ended 31 Mar 2015
	£'000	£'000
Balance at 1 January	**249**	58
Legacy debtor provision	**-**	211
Movement	**(29)**	(20)
Balance at 31 March	**220**	249

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 flow 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.

The Group, currently, has foreign exchange forward contracts hedging 35% of the Group's anticipated foreign exchange cashflows for next year in place. A maximum of 75% of the Group's profits or cash flows can be hedged under the Group's treasury policy.

Share capital
The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. For further details of share capital see note 22.

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 2016, it is estimated that a general increase of one percentage point in interest rates would have decreased the Group's profit/(loss) before tax by approximately £nil (2015: £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/(loss) before tax by approximately £14,000 (2015: £24,000).

Fair values

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

Capital management

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

18 Other financial assets

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Trade and other receivables	**£'000**	£'000
Trade receivables	**1,441**	2,493
Other receivables	**12**	8
Prepayments and accrued income	**737**	470
	2,190	2,971

Trade and other receivables denominated in currencies other than Sterling comprise £354,000 (2015: £582,000) predominately denominated in Euros.

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Cash and cash equivalents	**£'000**	£'000
Cash and cash equivalents	**9,083**	5,908

Cash includes £278,000 (2015: £895,000) denominated in Euros.

19 Current liabilities

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Trade and other payables	**£'000**	£'000
Trade creditors	**683**	902
Other creditors including tax and social security	**1,650**	1,449
Accruals and deferred income	**5,136**	4,817
	7,469	7,168

Trade creditors and accruals comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 23 days (2015: 16 days).

Current liabilities denominated in currencies other than Sterling comprise £18,000 (2015: £1,000) denominated in Euros.

20 Interest bearing loans and borrowings

The Group has no borrowings.

In connection with the Group's banking facilities with the Bank of Scotland, the Company and its UK subsidiary undertakings have entered into a cross guarantee, which gives a fixed and floating charge over the assets of the UK trading companies of the Group.

21 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	Other Timing Differences	Accelerated capital allowances	Tax losses	Employee benefits	**Total**
	£'000	£'000	£'000	£'000	£'000	**£'000**
At 31 March 2014	1,387	-	(49)	(238)	-	**1,100**
Effect of change in tax rate	(121)	-	-	-	-	**(121)**
Charge to income	(203)	151	(142)	23	-	**(171)**
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**

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 £7,083,000 (2015: £7,391,000) available for offset against future profits. A deferred tax asset of £190,000 (2015: £215,000) has been recognised in respect of such losses.

22 Called-up share capital

	9p deferred shares Number	1p ordinary shares Number	**£'000**
Issued share capital at 31 March 2015	151,998,453	339,770,953	**17,078**
Exercise of share options	-	535,000	**5**
At 31 March 2016	**151,998,453**	**340,305,953**	**17,083**

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

23 Operating lease arrangements

Total commitments under non-cancellable leases are as follows:

	Year ended 31 Mar 2016 Land and Buildings	Year ended 31 Mar 2015 Land and buildings
	£'000	£'000
Expiry date:		
- within one year	**194**	312
- between two and five years	**269**	280
- after five years	**-**	30
	463	622

24 Reconciliation of net cash

	At 31 March 2015	Cash flow	Exchange movement	**At 31 March 2016**
	£'000	£'000	£'000	**£'000**
Cash at bank and in hand	5,908	3,176	(1)	**9,083**
	5,908	**3,176**	**(1)**	**9,083**

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 2015	Lapsed	Exercised	**Outstanding options at 31 March 2016**
6 May 2009	700,000	(150,000)	(200,000)	**350,000**
4 November 2010	920,000	(150,000)	(335,000)	**435,000**
Total	1,620,000	(300,000)	(535,000)	**785,000**

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 2015	Lapsed	**Outstanding options at 31 March 2016**
22 May 2013	4,000,000	(3,000,000)	**1,000,000**
Total	4,000,000	(3,000,000)	**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 period are as follows:

	Number of Ordinary shares	Weighted average exercise price
At 31 March 2014	10,044,075	5.8p
Lapsed during the year	(4,424,075)	8.0p
At 31 March 2015	5,620,000	6.8p
Lapsed during the year	(3,300,000)	5.9p
Exercised during the year	(535,000)	10.0p
At 31 March 2016	**1,785,000**	7.8p

The following options were outstanding under the Company's Executive Share Option Scheme and EMI scheme as at 31 March 2016:

Granted	Number of Ordinary shares	Exercise price per share (pence)	Exercise Period
Executive Share Option Scheme			
6 May 2009	350,000	10.0p	May 2012 - 2019
4 November 2010	435,000	10.0p	November 2013 - 2020
	785,000		
EMI Share Option Scheme			
22 May 2013	1,000,000	5.5p	May 2018 -2023
At 31 March 2016	**1,785,000**		

The options outstanding at the year-end have an exercise price of 5.5p and 10p and a weighted average contractual life of 6.3 years.

The income statement charge/(credit) in respect of the EMI Share Option Scheme for the year was £(3,000) (2015: £6,000).

26 Related Party Transactions

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

COMPANY STATEMENT OF FINANCIAL POSITION

at 31 March 2016

	Note	**Year ended 31 March 2016**	Year ended 31 March 2015
		£'000	£'000
Fixed assets			
Intangible assets	29	**1,289**	1,357
Tangible fixed assets	30	**17**	23
Investments	31	**20,511**	20,511
		21,817	21,891
Current assets			
Debtors	32	**6,305**	6,885
Cash	33	**4,238**	3,483
		10,543	10,368
Creditors: Amounts falling due within one year	34	**(2,236)**	(1,989)
Net current assets		**8,307**	8,379
Total assets less current liabilities		**30,124**	30,270
Creditors: Amounts falling due after more than one year	35	**(376)**	(376)
Net assets		**29,748**	29,894
Capital and reserves			
Called-up share capital	36	**17,083**	17,078
Share premium account	37	**8,058**	8,009
Merger reserve	37	**409**	409
Profit and loss account	37	**4,198**	4,398
Equity shareholders' funds	37	**29,748**	29,894

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:

Cheryl C. Jones
Chairman

23 May 2016

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 financial statements.

Basis of accounting

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

This is the first year in which the financial statements have been prepared under FRS 102. No restatement to comparative prior year amounts were necessary.

Under section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account. Dods (Group) PLC loss for the year was £203,000 (2015: Loss £1,323,000)

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.

Transition to FRS 102

Intangible assets are now amortised over their useful economic life.

Holiday balances accrued as a result of services rendered in the current period but not taken by employees are now accounted for. The accrual this year is £3,000 (2015: £2,000).

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 year. 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, fixtures and fittings	5 years
IT systems	3 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 year within each category was:

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Managerial and administration staff	**7**	8

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

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Wages and salaries	**707**	868
Social security costs	**50**	112
Pension and other costs	**11**	4
Share based payment charge/(credit)	**(3)**	6
	765	990

Detailed disclosures on Directors' emoluments are given in note 6.

29 Intangible assets

Publishing rights	Total
	£'000
Cost	
At 31 March 2015	1,357
At 31 March 2016	**1,357**
Amortisation	
At 31 March 2015	-
Charged in year	68
At 31 March 2016	**68**
Net book value	
At 31 March 2015	1,357
At 31 March 2016	**1,289**

30 Tangible fixed assets

	Leasehold improvements and equipment	Software	**Total**
	£'000	£'000	**£'000**
Cost			
At 1 April 2015	74	15	89
Additions	27	-	27
Disposal	-	-	-
At 31 March 2016	**101**	**15**	**116**
Depreciation			
At 1 April 2015	56	10	66
Charge for the period	28	5	33
Disposals	-	-	-
At 31 March 2016	**84**	**15**	**99**
Net book value			
At 1 April 2015	18	5	23
At 31 March 2016	**17**	**-**	**17**

31 Fixed asset investments

	Subsidiary undertakings	Total
Cost	£'000	£'000
At 1 April 2015	20,511	20,511
At 31 March 2016	**20,511**	**20,511**

Detailed disclosures on subsidiary undertakings are given in note 15..

32 Debtors

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Amounts owed by group undertakings	**6,413**	6,690
Deferred tax asset/(liability)	**(153)**	179
Prepayments and accrued income	**44**	16
	6,305	6,885

The elements of deferred tax are as follows:

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Accelerated capital allowances	**4**	(2)
Other timing differences	**(157)**	-
Tax losses	**-**	181
Deferred tax asset/(liability)	**(153)**	179

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

	£'000
At 1 April 2015	179
Charge to the profit and loss account	(332)
At 31 March 2016	**(153)**

33 Cash and cash equivalents

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Cash and cash equivalents	**4,238**	3,483

34 Creditors: Amounts falling due within one year

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Trade creditors	-	143
Amounts owed to group undertakings	**1,686**	1,692
Other creditors including tax and social security	**56**	(95)
Accruals and deferred income	**494**	249
	2,235	1,989

35 Creditors: Amounts falling due after more than one year

	Year ended 31 Mar 2016	Year ended 31 Mar 2015
	£'000	£'000
Amounts owed to group undertakings	**376**	376

36 Share capital

	9p deferred shares Number	1p ordinary shares Number	**£'000**
Issued share capital at 31 March 2015	151,998,453	339,770,953	17,078
Exercise of share options	-	535,000	5
At 31 March 2016	**151,998,453**	**340,305,953**	**17,083**

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

Company

	Share Capital	Share premium	Merger reserve	Profit and loss account	**Total**
	£'000	£'000	£'000	£'000	**£'000**
At 1 April 2015	17,078	8,009	409	4,398	**29,894**
Profit/(loss) for the year	-	-	-	(203)	**(203)**
Issue of ordinary shares	5	49	-	-	**54**
Share based payment (charge)/credit	-	-	-	3	**3**
At 31 March 2016	**17,083**	**8,058**	**409**	**4,198**	**29,748**

38 Operating lease arrangements

Total commitments under non-cancellable leases are as follows:

	Year ended 31 Mar 2016 Land and buildings	Year ended 31 Mar 2015 Land and buildings
	£'000	£'000
Expiry date:		
- within one year	**119**	240
- between two and five years	**-**	120
	119	360

For further information, please contact:

Dods
Cenkos Securities PLC
(Nominated Advisor and Broker to Dods)
Nicholas Wells 020 7397 8922

Note to editors:
Dods (Group) PLC is a public limited company listed on AIM (ticker DODS.L)