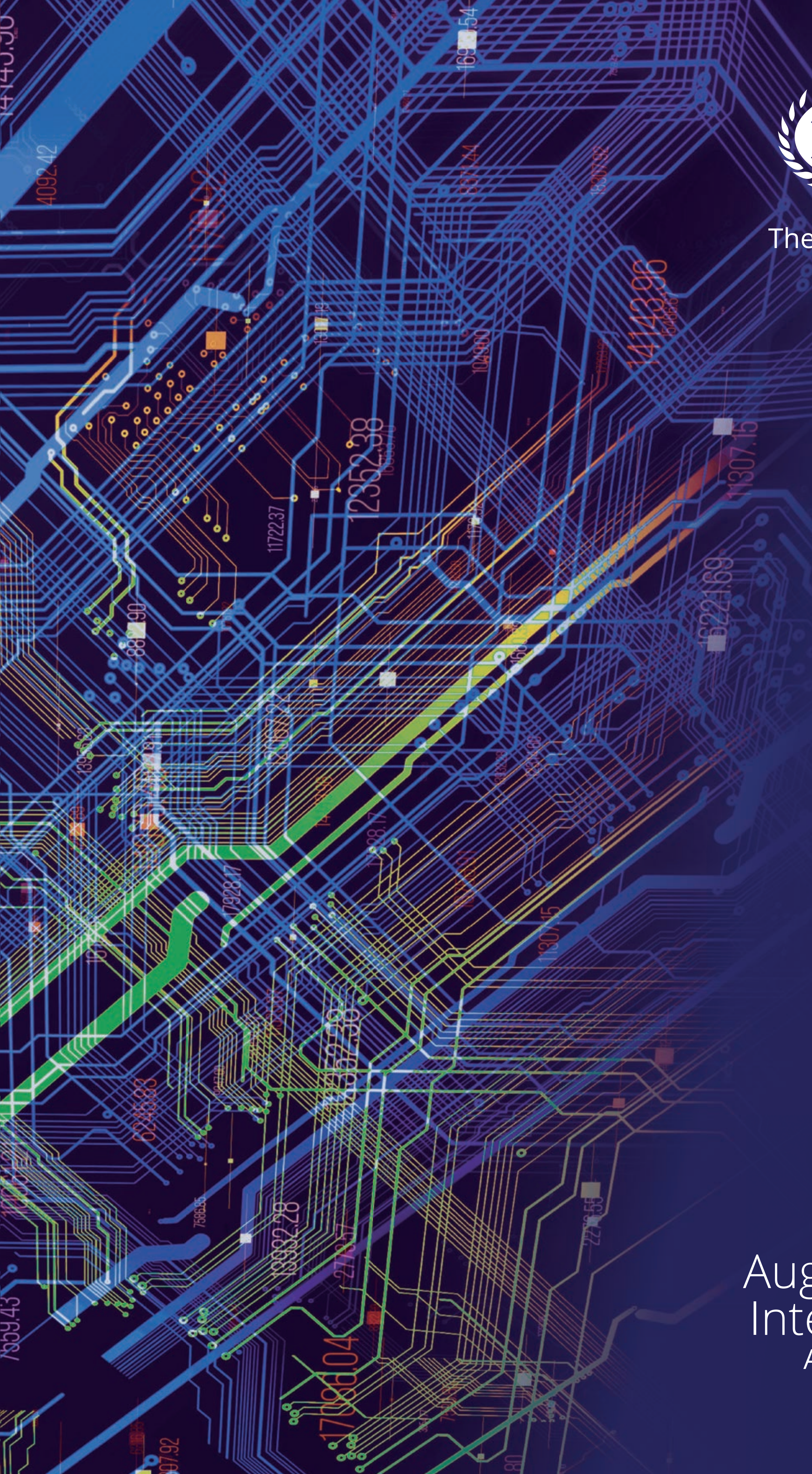


The Dods Group

Augmented Intelligence²

Annual Report 2019

Contents

Our authority, influence and reach

Dods is a market leading business intelligence, events, media and training company. We have built a reputation for high quality, unbiased content across all of our products and services. The Group continues to enhance the business as a leading provider of Augmented Intelligence[2] with a strengthened new Board and senior management team.

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

Business Intelligence coverage

100% coverage of Select Committees of the UK Parliament

90% coverage of all EU Parliament sittings

38% of our Business Intelligence clients buy multiple services

15 dedicated full time researchers and consultants, speaking 17 languages, covering the EU elections

7,500+ information sources tracked

Up to 70,000 tailored business briefings delivered to our subscribers daily

Dods Events scale

62,600 professional attendees and delegates

99 summits, roundtables and receptions

10 annual awards programmes

251 briefings conducted

Dods Training growth

14,300 delegates trained

954 training events conducted

40+ national governments trained

Media brands engagement

3 million+ advertising impressions generated (monthly average)

289,746 active social media followers (May 2019)

1 million+ pages views of content (monthly average)

500,000+ unique visitors to our media platforms (monthly average)

348 MPs follow @politicshome, more than Newsnight, BBC News and Channel 4 News (Politico Research – April 2019)

85,190 registered members of our digital communities

What we do

Embedded in customer workflows, Dods helps solve complex business challenges as an efficient single outsourced solution

- Expertly navigating government, regulatory, public affairs and public management challenges
- Engaging in public policy areas
- Effectively dealing with specific and complex policy and reputational issues
- Achieving clients' desired outcomes in public policy, as well as public management areas
- Navigating the complex political and public sector environments across the UK and EU
- Marketing to the public sector

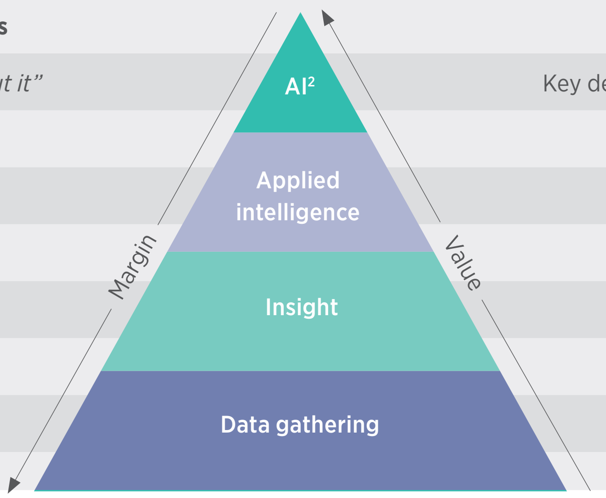
AI*

Dods is a single source solution

These joined-up solutions drive enterprise value through recurring revenue and higher contract values

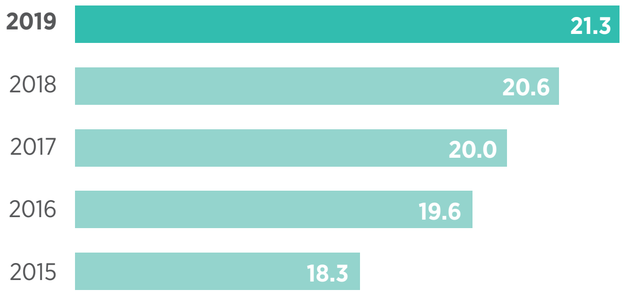
*Augmented intelligence[2]

Building on data – what we offer our customers	**Target audience**
"What other people think about it"	Key decision makers, investor relations
"What you do with it"	Public affairs professionals
"What it means"	Public relations professionals
"The information"	Sales and marketing professionals



Key performance indicators (KPIs)

Total revenue (£m)

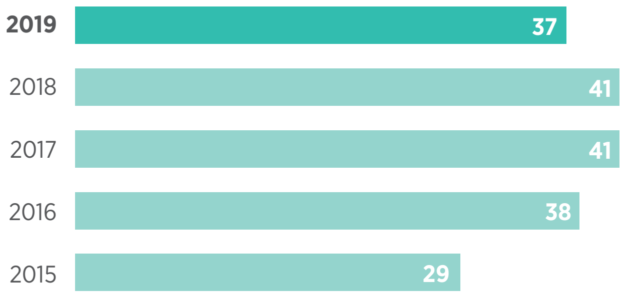


Total recognised revenue for the year.

Recurring revenue (£m)

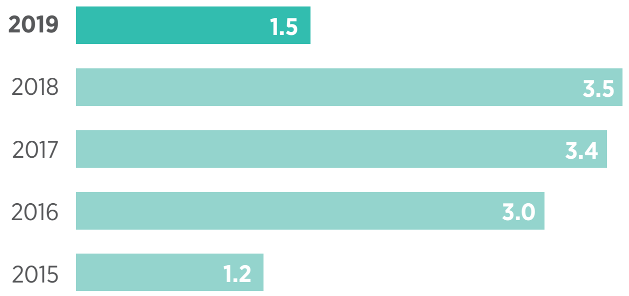
The annual recognised revenue from subscriptions and multi-year contracts.

Gross margin (%)



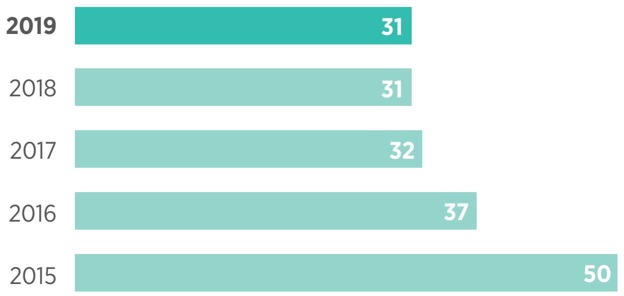
Gross profit as a percentage of recognised revenue.

Adjusted EBITDA (£m)



Earnings before interest, tax, share of profit of associate, depreciation and amortisation which have been adjusted for non-recurring items.

DSO (days)



Number of days sales outstanding at year end.

Cash (£m)

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

Creating value in our ecosystem...

Ecosystem

DODS | MONITORING

...through vital business intelligence

"For me they are strongly associated with Parliament and the devolved Parliaments, and also with the European Parliament. They're thorough, professional and objective. I always associate them with policy and politics."

Dods Monitoring customer

...through learning exchanges and programmes

"Many awards have seen sponsorship decline over the years...Dods have diversified the sponsor engagement and made this more of a programme rather than an awards ceremony. There is also a really nice emphasis on how we can share best practice that stems from the awards, including the 'community winners' exhibition..."

Dods Customer

Civil Service Awards voted Silver – Best Overall Awards Event (2019 Awards Awards)

THE PARLIAMENT MAGAZINE

...through co-creation with partners

"We are proud to have been able to support APEAL's proactive approach to raising awareness,"

Brian Johnson, Managing Editor of the Parliament Magazine at Dods Group

APEAL voted: Best Association Event managed by an agency – Bronze at the European Association Awards

HOLYROOD

...through expert insight

Mandy's columns have been recognised as "impossibly well-written and a real credit to the power of language. With her visceral, engaging, and often genuinely moving writing style, she is a truly worthy winner."

Mandy Rhodes voted: PPA Columnist of the year (Business Media), Holyrood, Dods Group - June 2018

Chairman's statement

2019 Financial Year
The Group's priorities at the beginning of the year were: developing an acquisition strategy and pipeline, adding talent and depth in growth areas of the business and creating forward momentum in the transition to higher margin products.

As outlined in the trading update issued on 21 January 2019, the Group faced challenging market conditions in the last few months of the financial year, which has had a significant impact on the Group's adjusted EBITDA and results for the year ended 31 March 2019. From a strategic review of the business, which is ongoing, the Group has focused on a strategy that seeks to deliver growth by increasing average client spend, pivoting away from policy dependent products, raising operating margins through increased commercialisation of the Group's proprietary data and enhancing its existing portfolio. The Group seeks to simplify and strengthen its core business to deliver sustainable shareholder value in the long term.

As a result, the Group strengthened the new leadership team, including the appointment of a Chief Information Officer (CIO) and Chief Revenue Officer (CRO) since the year end.

Significant Acquisition
Dods announced on 11 June 2019 its proposed acquisition of Meritgroup Limited ("Meritgroup"). The Board believes that this acquisition will be a transformational deal for the Group and will enable it to diversify its service offering into faster growing, higher margin activities.

The addition of Meritgroup brings a deep technical knowledge and expertise in the field of data engineering, machine learning and artificial intelligence to the Dods Group, which when combined with Dods' considerable expertise in analysis and content creation, it will make the enlarged Group a leading business intelligence organisation.

Meritgroup brings a highly educated, agile and diverse team with impressive technical capabilities based in Chennai, Mumbai and London which will enrich the existing operations of Dods Group in London, Edinburgh, Brussels and Paris. The addition of Meritgroup, via Merit Labs, will enable customers to rapidly test and adapt new technologies to transform their services. With an emphasis on remaining at the forefront of innovation in new technologies, Meritgroup will leverage the significant resident domain knowledge across the Group to drive actionable business outcomes for our customers.

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

Cheryl Jones, Chairman, stepped down from the Board on 1 August 2018.

I was appointed on the 1 August 2018 as Non-executive Chairman. I am an experienced international businessman having served on the Boards of several listed companies on both sides of the Atlantic, including ADT and American Medical Response and I also served for 6 years as a member of the Competition Commission.

Chairman's statement (continued)

Richard Boon was appointed as a Non-executive Director on 14 August 2018. Richard is the chief investment officer of Artefact Partners and a Chartered Financial Analyst with 30 years of research, portfolio management and private equity experience.

This newly strengthened Board will be instrumental in delivering the stated priorities of the Group.

Outlook
Whilst the UK market remains challenging and somewhat uncertain, the Board is confident that the Group's strategic initiatives, combined with selective investment opportunities, including the proposed acquisition of Meritgroup, is capable of sustainable profit streams in the longer term.

The start of the financial year has been encouraging and following completion of the proposed acquisition, the Group will benefit from an approximate 9-month contribution from the Meritgroup business in the current financial year. The Group continues to be cash generative and has strengthened and diversified its capabilities. The Board views the Group prospects with confidence.

I would like to thank certain of our significant shareholders for their continued support, management for steering the Group through a difficult last quarter and our clients for their loyalty. Finally, I would like to acknowledge our employees for their dedication and commitment to the Group.

Dr David Hammond
Chairman
27 June 2019

CEO Review

Dods today

A business intelligence leader in Public Policy, Political and Public Management sectors, Dods is renowned for its market expertise, research and training services, as well as iconic media brands and high-impact events. Through a single platform, Dods delivers critical business insight and stakeholder engagement channels.

We help customers achieve targeted growth, comply with regulatory changes, minimise risk, monitor reputation and gain exposure to key opinion-leaders. We serve customers in more than 50 countries across 6 continents, helping them understand and reach the dynamic UK and EU political and public sector spectrum.

Our integrated services generate exponential value and efficiency, resulting in high customer retention.

Consolidating our market-leading position

Due to digital communication channels, creation and dissemination of data and information is happening at a relentless speed. The need to extrapolate verified business-critical data and gain intelligence that is highly tailored to customer requirements is becoming paramount. Fully embedded in customer workflows, we understand the context and provide vital analytics and insights, as well as an end-to-end platform for stakeholder engagement. Our joined-up solutions deliver recurring, multi-year sustainable revenues and higher contract values through increased customer value creation.

1. HELPING CUSTOMERS MANAGE, INFLUENCE AND WIN BUSINESS

Data-driven business insights
Dods business intelligence division focuses on delivering key public policy insights that highlight opportunities and threats in the associated sectors, as well as data solutions that monitor relevant opinion leaders across the political and public sector spectrum. Whether it's participating in public policy debates or winning public tenders, our experts will tailor Dods Monitoring, Dods People or Dods Research to get the vital information at the right time, critical to our customer success. With coverage across the UK and the EU, we provide a holistic view of key sectors to our clients.

Contextualised news and analysis
Our iconic media brands enjoy high customer loyalty among the political and public sector audiences, providing content and forum for the agenda of the day to be discussed. The House, PoliticsHome, Holyrood, the Parliament magazine, Civil Service World and PublicTechnology bring the expert commentary on the latest news, as well as unique engagement channels with our audiences across the political, public affairs and public management sectors in the UK and the EU.

Strategic stakeholder engagement
From niche to high-profile, our platforms help customers showcase capabilities, demonstrate thought leadership in a particular area, build awareness and foster partnerships. We provide unique routes-to-market and deliver a single outsourced solution to our clients. Targeted engagement events span Civil Service Live & Awards, MEP Awards, Westminster Briefings, NHS Expo, Public Sector ICT, Diversity and Inclusion and the full portfolio of summits, round tables and receptions.

Knowledge solutions
We deliver best practice training and bespoke programmes, as well as learning and development, on governance, communications and policy-making across the world. Dods Training works with national governments, embassies, civil servants, public and private sector bodies to help professionals extend their knowledge and skills in these areas, while Training Journal Awards help celebrate high-achievers within the Learning and Development industry.

2. EXTENDING OUR FOOTPRINT IN CORE MARKETS

Our focus has been on increasing the reach in our core markets by using our scalable model and domain expertise to deliver new services and increase revenue streams. We have successfully managed the landmark Security & Policing exhibition on behalf of the Home Office, as well as added the Chief Scientific Officer summit to our portfolio, while Dods Monitoring intelligence service brought the UK Public Affairs industry together at a new Public Affairs conference.

STRATEGIC REPORT

3. OPTIMISING SUSTAINABLE RECURRING REVENUES
Reflecting deep customer loyalty and strong market demand, the renewal rate for our core Business Intelligence subscription products has remained high, averaging 92%.

Through our integrated offering we are able to deliver more value to our customers:

– 38% of our clients buy two or more products

– 15% of our clients buy three or more products

– 5% of our clients buy four or more products

Towards Augmented Intelligence[2]

"*You get the technology, but the human intervention is important too.*"
Public Affairs Executive, Dods customer

As we start to use advanced technology to secure the scale and depth of coverage across services, our human domain expertise becomes essential for providing contextualised analysis to our customers. We use technology to automate data aggregation and enhance it with our insight to produce actionable intelligence to clients, enabling them to switch focus from data collection to taking action based on this critical decision support.

Dods' core expertise is in identifying information across the complex political and public sector landscape, filtering for relevancy and highlighting implications of policy developments for specific organisations. Our focus now moves to bringing a new generation of products and services by applying machine learning to human intellect, creating Augmented Intelligence[2] to super-charge our subscription services model.

According to KPMG*, Business Information providers investing in AI-enabled services combined with human domain expertise to offer workflow solutions, not just data & analysis, will capture a bigger slice of the sector's overall revenue.

Significant acquisition

The acquisition of Meritgroup is a key milestone in our ambition to develop into a world-class Augmented Intelligence[2] business – a powerful proposition where AI technologies amplify human intellect to create more value to our customers, enabling them to act faster and with confidence.

Meritgroup powers world leading b2b information brands by providing proven data engineering services, innovative technology, in-demand talent and sector-specific expertise. Their proprietary methodology and machine learning capabilities underpin some of the most respected b2b brands.

Dods' products and services have been an integral part of our customers' workflows, so we understand where we can create most value by employing machine learning and AI to enhance our Policy & Public Sector subscription product portfolio.

Meritgroup's data processing and automation capabilities complement Dods' data and content curation and analytical competencies.

Critically, with this acquisition, we will gain technology capabilities to expand into providing commercial intelligence outside of our core Policy & Public Sectors and into global end-markets at pace. Serving customers across a range of sectors will enable us to increase and diversify our revenue streams, mitigate dependency on a highly volatile sector and build a more predictable and sustainable subscription business, yielding higher margins.

As both businesses are looking to utilise machine learning and advanced AI technologies in gaining efficiency and scale of data enhancement, and build better products and services for customers, we believe that combining resources will accelerate our progress.

Simon Presswell
Chief Executive Officer
27 June 2019

* Source: KPMG 'Hunting growth: New ways to create value in B2B information and data services' (January 2019).

CFO Review

Despite 2019 being a challenging year, the Group experienced revenue growth of 3%. As the growth was mainly in events and training, which achieve a lower gross margin than our Business Intelligence (BI) and Digital Media products and as a consequence had a more profound impact on our margins and adjusted EBITDA. As we continue to advise, inform and connect businesses in the political and policy environment we will be looking to upgrade our digital offering in our BI products. The Group continues to reduce its reliance on print and advertising as it replaces these revenue sources with more reliable, recurring revenue streams, including increasing our subscription based revenues and multi-year contracts.

As stated previously, the Group set its emphasis on enhancing the development of an acquisition strategy and pipeline, embedding an infrastructure for further organic and acquisitive growth and increasing the talent pool to enable it to deliver on these priorities going forward. The acquisition of Meritgroup Limited and appointments of the CIO and CRO are results of this stated aim.

Adjusted results are prepared to provide a more comparable indication of the Group's core business performance by removing the impact of certain items including exceptional items (material and non-recurring), and volatile items predominantly relating to investment activities and other separately reported items.

In addition, the Group also measures and presents performance in relation to various other non-GAAP measures including adjusted operating profit and adjusted EBITDA. Adjusted results are not intended to replace statutory results. These have been presented to provide users with additional information and analysis of the Group's performance, consistent with how the Board monitors results.

Revenue and operating results
The Group's revenue from continuing operations increased by 3% to £21.3 million (2018: £20.6 million) and gross profit decreased by approximately 5% to £7.9 million (2018: £8.3 million).

Gross margin decreased from 41% to 37% in the year. The decrease in gross margin was due to increased cost on delivery of events and change in the product mix sold in the year. Administration costs increased by 21% to £6.4 million (2018: £5.3 million) reflecting the increase in business rates of £100k, increased marketing spend of £260k, IT costs of £310k, in house legal (including GDPR compliance) of £125k and £260k due to Board changes and other plc related expenses.

Adjusted Operating Profit

	2019 £'000	2018 £'000
Operating (loss)/profit before tax	(5,776)	1,299
Other operating income	–	(444)
Impairment expense – investment in equity accounted associate	1,231	–
Impairment expense – intangible assets	259	–
Increased amortisation of software intangible assets	1,230	–
Amortisation of intangible assets acquired through business combinations	351	408
Non-recurring acquisition costs and professional fees	2,239	557
Other non-recurring items	1,029	418
Adjusted Operating Profit	563	2,238

Adjusted EBITDA decreased to £1.5 million (2018: £3.5 million) including £nil other operating income (2018: £0.4 million). Operating loss was £5.8 million (2018: profit of £1.3 million), after non-cash items including an amortisation charge of £0.4 million (2018: £0.4 million) for business combinations and a charge of £1.8 million (2018: £0.5 million) for intangible software assets. The depreciation charge in the year remained flat at £0.4 million (2018: £0.4 million). The increase in amortisation charge for software intangibles reflects the strategic review carried out by the new Board on the useful economic life of the software platform developed in-house by the Group. As a consequence of the review the amortisation charge increased by £1.3 million reflecting the shorter useful economic life of the intangible asset. Non-recurring acquisition related costs, impairment expense, people-related costs and other costs were £4.8 million (2018: £1.0 million). This was principally a result of increased acquisition costs of £2.2m (2018: £0.5m) and impairment losses.

The statutory loss before tax for the year was £5.7 million (2018: profit before tax of £1.3 million).

Taxation
As a result of the losses in the year the Group has taken a tax credit of £0.2 million (2018: charge of £0.18 million).

Earnings per share
Adjusted earnings per share, both basic and diluted, from continuing operations in the year were a loss of 0.12 pence (2018: earnings of 0.74 pence) and were based on the adjusted loss for the year of £0.4 million (2018: profit of £2.5 million) with a basic weighted average number of shares in issue during the year of 341,640,953 (2018: 341,524,286).

Earnings per share, both basic and diluted, from continuing operations in the year were a loss of 1.62 pence (2018: earnings of 0.33 pence) and were based on the net loss for the year of £5.5 million (2018: profit of £1.1 million).

Dividend
The Board is not proposing a dividend at this time (2018: £nil).

Assets
Non-current assets consisted of goodwill of £13.3 million (2018: £13.3 million), intangible assets of £6.4 million (2018: £8.3 million) and property, plant and equipment of £2.1 million (2018: £2.3 million). The Group, since February 2017, has held a 40% stake in the issued share capital of Sans Frontières Associates (SFA) and has loaned SFA £0.7 million (2018: £0.7 million) at the year end. The loan is unsecured and carries no interest charge. Additionally, the Group has held a 30% stake in Social 360 since November 2017 which it carries at £0.5 million (2018: £1.7 million).

During the year, the new Board had undertaken a strategic review of the Group, including an assessment of carrying values of intangible assets and investments. The movement in intangible assets of £1.9m relates predominately to the reduction in the useful economic life of the software platform of Dods' business intelligence division. The impairment of the investment in Social360 reflects the new Board's internal assessment of the realisable carrying value of the investment based on actual performance of this associate.

Trade and other receivables increased by £0.1 million to £3.6 million (2018: £3.5 million).

Liabilities
Current liabilities increased by £2.3 million to £11.5 million (2018: £9.2 million) largely due to an increase in accruals and deferred income in the year. Included in the accruals is an amount for £1.5 million relating to acquisition costs (2018: £nil). There has been a £0.3m (2018: £nil) credit booked in the deferred tax liability of £0.5 million (2018: £0.8 million) largely reflecting timing differences.

Capital and Reserves
Total assets of the Group were £35.0 million (2018: £38.5 million) with the main movements being impairment, amortisation and non-recurring acquisition costs and professional fees. Total equity decreased by £5.5 million to £23.0 million (2018: £28.5 million), mainly reflecting the loss for the year.

Liquidity and capital resources
Net interest and finance income during the period amounted to £480 (2018: £21,000). The Group had an unrestricted cash balance of £7.2 million (2018: £7.5 million) and had no borrowings at the year end. The Group also held restricted cash of £1.3 million (2018: £1.3 million) supporting the lease agreement for the Company's London premises. The cash movement reflects a net working capital increase of £0.9 million (2018: £3.2 million) and an investing outflow of £1.0 million (2018: £3.4 million).

Nitil Patel
Chief Financial Officer
27 June 2019

STRATEGIC REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

Risks	Mitigating Actions	Opportunity
Geo-political Brexit negotiations, global political tensions and potential trade issues with the major trading blocs could cause uncertain economic conditions	Dods continues to focus on growing a diverse range of customers, in different markets, which helps to mitigate this risk	To be well positioned with a balanced portfolio of customers and markets
Technology changes The markets in which Dods operates are constantly changing due to rapid technology advancements	Constant focus on efficiency programmes in service delivery platforms and increasing the quality of our content	As the volume of information grows, and becomes more readily available, there is a greater need for users to receive the type of curated information provided by Dods
Further migration of print advertising to online An industry wide change	Dods continues to invest and develop in digital expertise and platforms	Further capitalise on our diverse brand portfolio
People Succession planning	Increased our talent and leadership capacity with key hires	We are implementing key employee engagement programmes
Data storage/Cyber attack Loss, integrity and breach of data	Effective data management detailing where all business data is stored and how, together with ISO27001 Information Security Management System containing these controls. Intrusion detection monitoring software exists on our network	As part of implementing GDPR we are reviewing data stores, security, processes and procedures and continue to monitor on an ongoing basis
GDPR Stricter rules on how data is handled	Delegated Limits of Authority, setting out requirements for approval and execution of legally binding documents (limits set by value and legal risk)	Cleansing of data, new procedures and more effective marketing should benefit Dods in the long term

DIRECTORS' REPORT

Directors' report

Principal activities and business review
The Group's principal activity is the creation 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 and Europe and has market-leading positions in much of its portfolio. A review of the Group's performance during the year and its position at the year end, including commentary on its financial performance, likely future developments and prospects, is set out on pages 3 to 10 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 11. The purpose of the Annual Report is to provide information to the shareholders of the Company and other stakeholders. 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 26. The Board of Directors have decided not to pay a dividend.

Financial instruments
Details of financial instruments can be found in note 19 to the accounts.

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

Dr David Hammond	Chairman and non-executive director (appointed 1 August 2018)
Richard Boon	Non-executive director (appointed 14 August 2018)
Angela Entwistle	Non-executive director
Diane Lees CBE	Non-executive director
Mark Smith	Non-executive director
Simon Presswell	Chief Executive Officer (appointed 9 July 2018)
Nitil Patel	Chief Financial Officer
Cheryl C. Jones	Former Chairman and director (resigned 1 August 2018)

DIRECTOR'S BIOGRAPHIES

Dr David Hammond (A)
Non-executive Director and Chairman

Dr. David Bruce Hammond has over 30 years experience in the services industry. Dr. Hammond is an experienced international businessman having served on the boards of several listed companies on both sides of the Atlantic, including ADT and American Medical Response and he also served for 6 years as a member of the Competition Commission. Latterly, he led the successful buyout and subsequent sale of British Car Auctions. Dr. Hammond is a Fellow of the Institute of Chartered Accountants in England and Wales. He is also a fellow of the Chartered Institute of Taxation. Dr. Hammond joined the Dods Group plc Board on 1 August 2018.

Richard Boon (A, M)
Non-executive Director

Richard Boon C.F.A has over 30 years of investment experience, having qualified in New Zealand in both Law and Accountancy. Initially working in corporate finance on privatisations in the late 1980s, he immigrated to the UK in 1993 as Head of Regulatory Policy at The Post Office, when its privatisation was first considered. From 1995 he has worked in asset management as a Global Equity PM at Morgan Stanley A.M. (1995-2001) and as an MD and U.S. Equities PM at Merrill Lynch I.M. (2001-2004). In 2005 he founded FCA authorised investment manager Artefact Partners and has advised PE firm Torchlight from 2013. Specialising in media M&A, he was a Non-Executive Director of Local World at the time of its very successful sale in 2015 to Trinity Mirror, having had a pivotal role in buying the newspaper group from DMGT in 2012.

Angela Entwistle (R)
Non-Executive Director

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

Diane Lees CBE (R)
Non-Executive Director

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

Mark Smith (A, M)
Non-Executive Director

Mark Smith is a media and communications expert, and a qualified Chartered Accountant in England and Wales. Mark served as Chief Operating Officer and Finance Director of Chime Communications from 1986 to 2017. Most recently he was Chairman and Managing Partner of Bell Pottinger and is currently Non-Executive Chairman of Holiday Extras, a major travel and leisure business and Non-Executive Chairman of Panoply Holdings plc, an AIM listed company delivering digital transformation projects for clients. He joined the Dods Group plc Board on 29 November 2017.

Simon Presswell (M)
Chief Executive Officer

Simon Presswell joined the Dods Group plc Board in July 2018 as Chief Executive Officer. As an accomplished CEO and leader, Simon has worked across a range of high growth transformative businesses with a focus on driving shareholder returns, defining acquisition strategies, improving products and delivering world class customer experiences. Before joining the Group, Simon was an Executive at Ascential plc, where he was instrumental in the growth of the business, he held CEO and Managing Director positions in the live entertainment industry and was adviser to BSkyB. Prior to that, he worked in Media for NBC Universal, first as Managing Director at Universal Studios and thereafter as SVP Marketing and Digital at Universal Networks International which was acquired by Comcast. In his early career Simon held various leadership positions in high growth digital businesses including Citrix Online, Cendant (now Travelport), Thomas Cook and as the Commercial Director of Lastminute.com. Simon is a Trustee at the BPI Brit Trust, a Governor at the Brit School and a former adviser to various digital entrepreneurs and private equity firms.

Nitil Patel
Chief Financial Officer

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

A Member of the Audit Committee
R Member of the Remuneration Committee
M Member of the Mergers and Acquisitions Committee

DIRECTORS' REPORT

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

	INTEREST IN ORDINARY SHARES	
	AT 01/04/18	AT 31/03/19
Richard Boon (appointed 14.8.18)	–	–
Angela Entwistle	–	–
Dr David Hammond (appointed 1.8.18)	–	–
Diane Lees CBE	40,800	40,800
Mark Smith	–	226,172
Nitil Patel	100,000	138,297
Simon Presswell (appointed 9.7.18)	–	118,511
Cheryl C. Jones (resigned 1.8.18)	5,315,000	n/a

In addition, Simon Presswell has an interest in options over ordinary shares. 1,562,000 options were granted in the year and the balance at 31 March 2019 was 1,562,000.

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

The market-price of a Company share during the 12 months was as follows:

Opening share price: 1 April 2018	13.75 pence
Closing share price: 31 March 2019	6.88 pence
Average share price during the year	10.28 pence

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

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

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

Political and charitable donations
No political or charitable donations were made in the year (2018: £nil).

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

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

Substantial shareholdings
As at 21 May 2019, the Company had been notified of the following interests in 3% or more of its issued share capital:

Lord Ashcroft KCMG PC	43.98%
Gresham House Asset Management Limited	20.01%
Sasqua Fields Management LLC	9.35%
Schroder Investment Management Limited	5.41%
Artemis Investment Management	4.15%

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

Health, safety and environmental
The Chief Financial Officer and the Chief Information 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.

Anti-bribery
It is our policy to conduct all our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

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

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

Annual General Meeting
The Annual General Meeting of the Company will be held on 29 August 2019 at the offices of Fieldfisher LLP 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 2019.

The Notice of Meeting and Explanation of Special Business accompanies this document.

Dr David Hammond
Chairman
27 June 2019

CORPORATE GOVERNANCE

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 ten principles of the QCA Code are as follows:

- **Principle 1** Establish a strategy and business model which promote long-term value for shareholders.
- **Principle 2** Seek to understand and meet shareholder expectations.
- **Principle 3** Take into account wider stakeholder and social responsibilities and their implications for long-term success.
- **Principle 4** Embed effective risk management, considering both opportunities and threats, throughout the organisation.
- **Principle 5** Maintain the board as a well-functioning, balanced team led by the chair.
- **Principle 6** Ensure that between them the directors have the necessary up-to-date experience skills and capabilities.
- **Principle 7** Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.
- **Principle 8** Promote a corporate culture that is based on ethical values and behaviours.
- **Principle 9** Maintain governance structures and processes that are fit for purpose and support good decision-making by the board.
- **Principle 10** Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Board

The Board currently comprises the Non-executive Chairman, four Non-executive Directors, the Chief Executive Officer and the Chief Financial Officer. Short biographical details of each of the Directors are set out on pages 12 to 13. The Board is responsible to the shareholders for the proper management of the Group and generally meets quarterly to set the overall direction and strategy of the Group, and such other times as necessary.

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

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 responsibilities include 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, and other such matters as directed by the Board.

Remuneration Committee

The composition of the Remuneration Committee is disclosed on pages 12 to 13 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 senior management and remuneration plans for the Group as a whole as part of the budget and in line with delegated limits of authority.

The Remuneration Committee approves the setting of objectives for Executive Directors and authorises any 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 2019 were reported to, and endorsed by, the Board.

M&A Committee

The Mergers and Acquisitions (M&A) Committee was established on 7th December 2018. Since then there have been six meetings held in the financial year. The M&A Committee currently comprises two Non-executive directors and the CEO and exists to evaluate and implement M&A activity for approval by the Board.

Company Secretary

The Company Secretary is responsible for advising the Board through the 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 2019:

	Board	Remuneration[1]	Audit[1]	M&A[1]
Total meetings held	**11**	**3**	**3**	**6**
Dr David Hammond (appointed 1.8.18)	7	1	2	-
Richard Boon (appointed 14.8.18)	7	–	2	6
Angela Entwistle	10	3	1	–
Diane Lees CBE	9	3	–	–
Mark Smith	10	2	3	6
Simon Presswell (appointed 9.7.18)	7	–	2	6
Nitil Patel	10	1	3	6
Cheryl C. Jones (resigned 1.8.18)	3	1	1	–

Note 1: By invitation, other directors may be invited to attend the Remuneration, Audit Committee and M&A meetings.

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 entitled to attend the Group's AGM (notice of which is provided with this Report).

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 approved the budget for the year ending 31 March 2020 and extended for a six month period to 30 September 2020 which has been adjusted to take account of the current trading environment. The Directors consider the forecasts to be reasonable. Further, the Directors have assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities and have assessed the impact of them on the Group's cash flow, facilities and headroom within its future banking covenants. Based on this work, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavors 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.

Dr David Hammond
Chairman
27 June 2019

CORPORATE GOVERNANCE

Director's Responsibilities Statement

The Directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and have elected to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period.

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

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

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

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

AIM rule compliance report

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

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

Dr David Hammond
Chairman
27 June 2019

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

OPINION

OUR OPINION ON THE FINANCIAL STATEMENTS IS UNMODIFIED

We have audited the financial statements of Dods Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019, 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 parent company balance sheet, the parent company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2019 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

INDEPENDENT AUDITOR'S REPORT

OVERVIEW OF OUR AUDIT APPROACH

- Overall materiality: £126,000, which represents 0.6% of the group's revenue for the year;
- The key audit matters were identified as impairment of intangible assets acquired through business combinations and goodwill; and
- we performed full scope audit procedures on Dods Group plc and Dods Parliamentary Communications Limited, targeted procedures on revenue for Holyrood Communications Limited and analytical audit procedures on all other group entities.

KEY AUDIT MATTERS

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

KEY AUDIT MATTER – GROUP	HOW THE MATTER WAS ADDRESSED IN THE AUDIT – GROUP
Impairment of intangible assets and goodwill At the year end the group has £13.3m of goodwill (2018: £13.3m) and £6.2m of intangible assets acquired through business combinations (2018: £6.9m). During the year an impairment of £259,000 was recognised in relation to the Fenman publishing rights intangible asset. Management is required to consider indicators of impairment in accordance with IAS 36 Impairment of Assets, and, for those with a useful economic life, to consider whether the asset is being amortised over an appropriate period. Under IAS 36, the group is required to perform a quantified impairment test annually for goodwill acquired in a business combination. There is a risk that the carrying value of the goodwill may be higher than the recoverable amount. The process of making the impairment assessment through forecasting cash flows, the determination of the appropriate discount rate and other assumptions to be applied can be highly judgemental and can significantly impact the results of the impairment review. We therefore identified the impairment of intangible assets as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • Assessing whether the stated accounting policy for impairment was compliant with IFRSs as adopted by the European Union, including whether it is consistent with the prior period; • obtaining management's impairment model and discounted cash flow forecasts and checking the mathematical accuracy of the model; • evaluating the reasonableness of information and assumptions included in the impairment model through our knowledge of the business and forecasts produced; • checking the calculation of the discount rate and benchmarking against comparator companies; • performing a sensitivity analysis on the forecasts and the discount rate; and • testing the accuracy of management's forecasting of cash flows through a comparison of budget to actual data for the year ended 31 March 2019. The group's accounting policy on impairment of intangible assets and goodwill is shown in note 1 to the financial statements and related disclosures are included in note 13. **KEY OBSERVATIONS** Our testing did not identify any material misstatements in the carrying value of the goodwill and other intangible assets. We found no reason for impairment of intangible assets or any additional factors to be considered that would affect the carrying value of intangible assets recognised within the financial statements.

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

OUR APPLICATION OF MATERIALITY

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

Materiality was determined as follows:

MATERIALITY MEASURE	GROUP	PARENT
Financial statements as a whole	£126,000 which is 0.6% of revenue. This benchmark is considered the most appropriate because the group made a loss for the year, meaning that an earnings benchmark would not be appropriate due to volatility in earnings, therefore revenue was considered the most appropriate benchmark. Materiality for the current year is lower than the level that we determined for the year ended 31 March 2018 to reflect the reduced performance of the Group during the year.	Materiality was based on 2% of total assets, this is considered the most appropriate basis because the company does not trade and holds material investments in subsidiary companies. However this would result in a parent company materiality which is in excess of group materiality. Parent company materiality was therefore capped at £95,000, which is component materiality, and represents 75% of group materiality. Materiality for the current year is lower than the level that we determined for the year ended 31 March 2018 to reflect the lower Group materiality.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.
Specific materiality	We also determined a lower level of specific materiality for certain areas such as Directors' remuneration and related party transactions.	We also determined a lower level of specific materiality for certain areas such as Directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£6,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£5,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

INDEPENDENT AUDITOR'S REPORT

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

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

- evaluation by the group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality. For example, significance as a percentage of the group's total assets, revenues and profit before taxation or significance based on qualitative factors, such as specific use or concerns over specific components;
- a full scope audit of the parent company was performed;
- as part of the planning process, assessing the group's internal processes and control environment. Dods Group plc has centralised processes and controls over the key areas of our audit focus. Group management are responsible for all judgemental processes and significant risk areas. A centralised finance team performs all accounting processes and we tailored our audit response accordingly with all audit work being undertaken by the group audit team;
- performing a full scope audit of Dods Group plc and Dods Parliamentary Communications Limited. Work on Dods Parliamentary Communications Limited was performed to component materiality which was capped at group performance materiality. Targeted procedures on revenue were performed in relation to Holyrood Communications Limited due to revenue for this company being in excess of 5% of group revenues;
- the total percentage coverage of audit procedures over revenue, including both full scope entities and those subject to targeted procedures was 96% and profit before tax was 99%;
- the total percentage coverage of full scope audit entities over total assets was 97%;
- analytical procedures were performed on Fenman Limited, Total Politics Limited and Le Trombinoscope SAS; and
- our audit approach was to rely on controls for our audit of revenue and third party costs incurred during the year, with testing in these areas supplemented by substantive testing, a fully substantive approach was used in all other areas, this was a change from the audit for the year ended 31 March 2018 when a fully substantive audit was performed.

OTHER INFORMATION

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

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

We have nothing to report in this regard.

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the directors' responsibilities statement set out on page 19, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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.

Sergio Cardoso
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
27 June 2019

Financial statements

FINANCIAL STATEMENTS

Consolidated income statement

for the year ended 31 March 2019

	NOTE	2019 £'000	2018 £'000
Revenue	3	**21,301**	20,586
Cost of sales		**(13,419)**	(12,239)
Gross profit		**7,882**	8,347
Administrative expenses		**(6,381)**	(5,286)
Other operating income	4	**–**	444
Adjusted EBITDA		**1,501**	3,505
Depreciation of tangible fixed assets	15	**(379)**	(357)
Amortisation of intangible assets acquired through business combinations	14	**(351)**	(408)
Amortisation of software intangible assets	14	**(1,789)**	(466)
Non-recurring items	5		
Non-recurring acquisition costs and professional fees		**(2,239)**	(557)
Impairment expense – investment in equity accounted associate		**(1,231)**	-
Impairment expense – intangible assets		**(259)**	-
People-related costs		**(332)**	(385)
Other non-recurring items		**(697)**	(33)
Operating (loss) / profit		**(5,776)**	1,299
Net finance costs	9,10	**-**	21
Share of profit / (loss) of associate	17	**50**	(9)
(Loss) / profit before tax	6	**(5,726)**	1,311
Income tax credit / (charge)	11	**197**	(182)
(Loss) / profit for the year		**(5,529)**	1,129
(Loss) / profit per share (pence)			
Basic	12	**(1.62p)**	0.33p
Diluted	12	**(1.62p)**	0.33p

Consolidated statement of comprehensive income

for the year ended 31 March 2019

	2019 £'000	2018 £'000
(Loss) / profit for the year	**(5,529)**	1,129
Items that may be subsequently reclassified to Profit and Loss		
Exchange differences on translation of foreign operations	**(8)**	95
Other comprehensive (loss) / income for the year	**(8)**	95
Total comprehensive (loss) / income for the year	**(5,537)**	1,224

The notes on pages 30 to 53 form part of these financial statements.

Consolidated statement of financial position

as at 31 March 2019

	NOTE	2019 £'000	2018 £'000
Non-current assets			
Goodwill	13	**13,282**	13,282
Intangible assets	14	**6,421**	8,308
Property, plant and equipment	15	**2,063**	2,327
Investment in associates	17	**503**	1,684
Long-term loan receivable	17	**700**	700
Total non-current assets		**22,969**	26,301
Current assets			
Inventories	18	**16**	12
Trade and other receivables	20	**3,584**	3,469
Cash and cash equivalents	20	**7,160**	7,491
Restricted cash held in deposit account	20	**1,266**	1,266
Total current assets		**12,026**	12,238
Total assets		**34,995**	38,539
Capital and reserves			
Issued capital	24	**17,096**	17,096
Share premium		**8,142**	8,142
Other reserves		**409**	409
Retained (loss) / profit		**(2,616)**	2,913
Share option reserve		**55**	44
Translation reserve		**(67)**	(59)
Total equity		**23,019**	28,545
Current liabilities			
Trade and other payables	21	**11,489**	9,231
Total current liabilities		**11,489**	9,231
Non-current liabilities			
Deferred tax liability	23	**487**	763
Total non-current liabilities		**487**	763
Total equity and liabilities		**34,995**	38,539

The notes on pages 30 to 53 form part of these financial statements.
These financial statements were approved by the Board of Directors and were signed on its behalf by:

Nitil Patel
Chief Financial Officer
27 June 2019

FINANCIAL STATEMENTS

Consolidated statement of changes in equity

for the year ended 31 March 2019

	SHARE CAPITAL £'000	SHARE PREMIUM RESERVE[1] £'000	MERGER RESERVE[2] £'000	RETAINED EARNINGS £'000	TRANSLATION RESERVE[3] £'000	SHARE OPTION RESERVE[4] £'000	TOTAL SHAREHOLDERS' FUNDS £'000
At 1 April 2017	17,088	8,105	409	1,784	(154)	36	27,268
Total comprehensive income							
Profit for the year	–	–	–	1,129	–	–	1,129
Other comprehensive income							
Currency translation differences	–	–	–	–	95	–	95
Share-based payment	–	–	–	–	–	8	8
Transactions with owners							
Issue of ordinary shares	8	37	–	–	–	–	45
At 31 March 2018	**17,096**	**8,142**	**409**	**2,913**	**(59)**	**44**	**28,545**
Total comprehensive income							
Loss for the year	**–**	**–**	**–**	**(5,529)**	**–**	**–**	**(5,529)**
Other comprehensive loss							
Currency translation differences	**–**	**–**	**–**	**–**	**(8)**	**–**	**(8)**
Share-based payment	**–**	**–**	**–**	**–**	**–**	**11**	**11**
Transactions with owners							
Issue of ordinary shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**
At 31 March 2019	**17,096**	**8,142**	**409**	**(2,616)**	**(67)**	**55**	**23,019**

1 The share premium reserve represents the amount paid to the Company by shareholders above the nominal value of shares issued.
2 The merger reserve represents accounting treatment in relation to historical business combinations.
3 The translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into sterling.
4 The share option reserve represents the cumulative expense recognised in relation to equity-settled share-based payments.

The notes on pages 30 to 53 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 March 2019

	NOTE	2019 £'000	2018 £'000
Cash flows from operating activities			
(Loss) / profit for the year		**(5,529)**	1,129
Depreciation of property, plant and equipment	15	**379**	357
Amortisation of intangible assets acquired through business combinations	14	**351**	408
Amortisation of other intangible assets	14	**1,789**	466
Impairment charges	5	**1,490**	–
Share-based payments charge	26	**11**	8
Share of profit of associate	17	**(50)**	–
Net finance costs	9,10	**–**	21
Non-recurring acquisition costs and professional fees		**400**	557
Income tax (credit) / charge	11	**(197)**	182
Operating cash flows before movement in working capital		**(1,356)**	3,128
Change in inventories	18	**(4)**	23
Change in trade and other receivables		**(114)**	(664)
Change in trade and other payables		**2,337**	671
Cash generated by operations		**863**	3,158
Taxation paid		**(166)**	(43)
Net cash from operating activities		**697**	3,115
Cash flows from investing activities			
Interest and similar income received	9	**12**	2
Non-recurring acquisition costs and professional fees		**(400)**	(557)
Investment in associates	17	**–**	(1,650)
Additions to property, plant and equipment	15	**(115)**	(261)
Additions to intangible assets	14	**(512)**	(471)
Long-term loan to associate	17	**-**	(500)
Net cash used in investing activities		**(1,015)**	(3,437)
Cash flows from financing activities			
Proceeds from issue of share capital		**–**	45
Interest and similar expenses paid	10	**(12)**	–
Net cash used in financing activities		**(12)**	45
Net decrease in cash and cash equivalents		**(330)**	(277)
Opening cash and cash equivalents		**8,757**	9,033
Effect of exchange rate fluctuations on cash held		**(1)**	1
Closing cash at bank		**8,426**	8,757
Comprised of:			
Cash and cash equivalents		**7,160**	7,491
Restricted cash held in deposit account		**1,266**	1,266
Closing cash at bank	20	**8,426**	8,757

The notes on pages 30 to 53 form part of these financial statements.

Notes to the consolidated financial statements

for the year ended 31 March 2019

1. Statement of significant accounting policies and judgements

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 consolidated 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, or as outlined in the 'Standards adopted' section below, 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 2018 that have had a material impact on the Group. The following have been adopted by the Group for the year:

- IFRS 15 'Revenue from Contracts with Customers' (effective periods beginning on or after 1 January 2018); IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. Adoption of this standard has not had a material impact on the Group and there have been no changes to prior year figures as a result of adoption.

- IFRS 9 'Financial Instruments' (effective periods beginning on or after 1 January 2018); IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. Adoption of this standard has not had a material impact on the Group and there have been no changes to prior year figures as a result of adoption.

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

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

- Fenman Limited
- Total Politics Limited
- Holyrood Communications Ltd

Going Concern
The Group had net current assets as at 31 March 2019 of £0.54 million (2018: £3.01 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.

1. Statement of significant accounting policies and judgements (continued)

Going Concern (continued)
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.

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

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

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

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

Revenue recognition - sale of goods
Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods 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 performance obligation has been satisfied, at the point of delivery, and the amount of revenue can be measured reliably.

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

Revenue in respect of advertising services is recognised on publication, being the performance obligation. 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.

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.

1. Statement of significant accounting policies and judgements (continued)

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.

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 line item 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.

1. Statement of significant accounting policies and judgements (continued)

Taxation (continued)
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.

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.

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	20-75 years (one specific right is deemed to have a useful economic life 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 3-6 years. The salaries of staff employed in the development of new software relating to the Group's 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.

1. Statement of significant accounting policies and judgements (continued)

Impairment (continued)
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	3-7 years

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

Inventories
Inventories are stated at the lower of cost and net realisable value.

Cash
Cash includes cash on hand and in banks.

Restricted cash deposits amount to £1,266,000 (2018: £1,266,000) 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 on 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.

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

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

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

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

1. Statement of significant accounting policies and judgements (continued)

Foreign currencies (continued)
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.

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.

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

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

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

Financial assets
Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as trade and other receivables and cash and cash equivalents on the balance sheet. The Group assesses expected credit losses associated with its trade and other receivables on a forward-looking basis. For trade receivables, the Group recognises gross amounts, less an allowance for bad debt based on expected credit losses. The Group considers its trade and other receivables to have a low credit risk. Cash and cash equivalents have a negligible credit risk.

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

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 amortised 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 13 and 14. Details of judgements and estimates in relation to impairment of goodwill are given in note 13.

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

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

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

f) Classification of non-recurring costs and accrual of non-recurring acquisition costs
Expenses are recognised as non-recurring when they reflect one-off costs that are not part of the ongoing operations of the Group. In relation to non-recurring acquisition costs, as the proposed acquisition was substantially complete by the year end date, the Group has accrued all agreed acquisition costs.

g) Impairment of investment in associate
During the year, the Group impaired its investment in one of its associates. This impairment resulted from an updated valuation calculation which was based on a lower multiple of earnings as well as lower than expected earnings when compared with those at the acquisition date.

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2. Critical accounting estimates and judgements and adopted IFRS not yet effective (continued)

h) Recoverability of long-term loan receivable
Management assess the recoverability of the long-term loan receivable after taking into consideration the expected manner of recovery and expected and agreed recovery period. On the basis of the review undertaken by management the long-term loan receivable is deemed to be recoverable based upon expected future cashflows.

Adopted IFRS not yet applied
The Group has not yet adopted certain new standards, amendments and interpretations to existing standards which have been published but are only effective for the Group's accounting periods beginning on or after 1 April 2019 or later periods. These new pronouncements are listed below:

- IFRS 16 'Leases' (effective periods beginning on or after 1 January 2019); IFRS 16 requires the recognition of the majority of lease assets and liabilities by lessees on the balance sheet and is effective for the Group's year ending 31 March 2020.

The Group is currently evaluating the impact of the adoption of this standard on its financial position and operating results but has at this stage decided to adopt the modified retrospective approach. Based on the Group's initial assessment, on adoption of IFRS 16, a 'right of use asset' of £4.5m - £5.5m will be recognised on balance sheet along with a corresponding 'lease liability' of £6.0m - £7.0m. Opening retained profits will be adjusted by between £0.2m and £1.0m and accrued rent by £1.0m. The asset and liability will be unwound over the term of the lease giving rise to interest expense and depreciation charge, which will replace the current operating lease expense. The profile of the Group's principal leases is shown in note 25.

The Group has considered the other new standards, interpretations and amendments to published standards that are effective for the Group and concluded that they are either not relevant to the Group or that they would not have a significant impact on the Group's financial statements. The Group continues to monitor the potential impact of other new standards and interpretations which may be endorsed by the European Union and may require adoption by the Group in future accounting periods.

3.Segmental information

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

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

Geographical segments
The following table provides an analysis of the Group's segment revenue by geographical market. Segment revenue is based on the geographical location of customers.

	2019 £'000	2018 £'000
UK	**16,183**	16,469
Rest of world	**5,118**	4,117
	21,301	20,586

Asset segment information has not been disclosed because this information is not reviewed by the senior management team for the purpose of allocating resources.

4. Other operating income

For the prior year, other operating income of £444,000 arose from litigation.

5. Non-recurring items

	2019 £'000	2018 £'000
Non-recurring acquisition costs and professional fees	**2,239**	557
Impairment expense – investment in equity accounted associate	**1,231**	-
Impairment expense – intangible assets	**259**	-
People-related costs	**332**	385
Other		
– Branding and marketing	**206**	-
– Costs relating to ongoing strategic corporate review and initiatives	**244**	-
– Professional services	**129**	-
– Consultancy	**82**	-
– Other	**36**	33
	4,758	975

Non-recurring acquisition costs and professional fees reflect the costs incurred to date in line with the Group's acquisition strategy. Subsequent to the year end and as announced on 11 June 2019, the Group entered into an agreement to acquire 100 percent of the share capital of Meritgroup Limited and its subsidiaries. As the proposed acquisition was substantially complete by the year end date, the Group has accrued all agreed acquisition costs.

Impairment expense – investment in equity accounted associate relates to the Group's investment in Social 360 Limited – see note 17. Impairment expense – intangible assets relates to specific publishing rights – see note 14.

People-related costs result from the recruitment of senior management for roles which have been newly created within the Group. Also included are redundancy costs reflecting the effect of a Group initiative to appropriately restructure the business.

Other non-recurring costs include branding and marketing expenses, costs relating to ongoing strategic corporate review and initiatives, various legal fees and one-off consultancy expenses. Within branding and marketing expenses are costs for a branding exercise that did not proceed. Costs relating to ongoing strategic corporate review and initiatives include expenses relating to strategic branch and regional office reviews and other non-recurring event related costs.

6. (Loss) / profit before tax

(Loss) / profit before tax has been arrived at after charging / (crediting):

	2019 £'000	2018 £'000
Depreciation of property, plant and equipment	**379**	357
Amortisation of intangible assets acquired through business combinations	**351**	408
Amortisation of other intangible assets	**1,789**	466
Staff costs (see note 8)	**9,804**	8,817
Non-recurring items (see note 5)	**4,758**	975
Net finance costs	**–**	(21)
Operating lease charge	**969**	1,137

	2019 £'000	2018 £'000
Auditor's remuneration		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**17**	17
Fees payable to the Company's auditor and its associates for other services:		
– The audit of the Company's subsidiaries, pursuant to legislation	**60**	48
– Non-audit services in relation to corporate finance transactions	**293**	147
	370	212

7. Directors' remuneration

The remuneration of the directors of the Company for the years ended 31 March 2019 and 31 March 2018 is set out below:

		SALARIES £	COMMITTEE FEES £	PENSION CONTRIBUTIONS £	OTHER BENEFITS £	TOTAL £
Executive directors						
Simon Presswell[1]	**2019**	**193,994**	**–**	**21,962**	**1,953**	**217,909**
Chief Executive Officer	2018	–	–	–	–	–
Nitil Patel	**2019**	**180,000**	**–**	**20,000**	**1,083**	**201,083**
Chief Financial Officer	2018	155,000	–	20,000	1,116	176,116
Guy Cleaver[2]	**2019**	**–**	**–**	**–**	**86,889**	**86,889**
Former Chief Executive Officer	2018	130,000	–	–	112,731	242,731
Non-executive directors						
Dr David Hammond[3]	**2019**	**33,334**	**3,335**	**–**	**–**	**36,669**
Chairman	2018	–	–	–	–	–
Richard Boon[4]	**2019**	**15,625**	**3,125**	**–**	**–**	**18,750**
Non-executive director	2018	–	–	–	–	-
Angela Entwistle[5]	**2019**	**25,000**	**5,000**	**–**	**–**	**30,000**
Non-executive director	2018	10,307	–	–	–	10,307
Diane Lees	**2019**	**25,000**	**2,500**	**–**	**–**	**27,500**
Non-executive director	2018	25,000	–	–	–	25,000
Mark Smith	**2019**	**45,000**	**10,000**	**–**	**–**	**55,000**
Non-executive director	2018	18,333	–	–	–	18,333
Cheryl C. Jones[6]	**2019**	**8,333**	**–**	**–**	**593**	**8,926**
Former Chairman	2018	25,000	–	–	1,642	26,642
The Lord Adonis[7]	**2019**	**–**	**–**	**–**	**–**	**–**
Former non-executive director	2018	30,000	–	–	–	30,000
Sir William Wells[8]	**2019**	**–**	**–**	**–**	**–**	**–**
Former non-executive director	2018	40,000	–	–	–	40,000
Total for 2019		**526,286**	**23,960**	**41,962**	**90,518**	**682,726**
Total for 2018		433,640	–	20,000	115,489	569,129

1 Appointed 9 July 2018. See also share-based payments – note 26.
2 Resigned 29 November 2017. Included within 'Other benefits' is an amount of £86,889 (2018: £111,250) representing compensation for loss of office.
3 Appointed 1 August 2018.
4 Appointed 14 August 2018. See also related party transactions – note 27.
5 The £30,000 (2018: £10,307) paid for the services of Angela Entwistle as a non-executive director is paid to Deacon Street Partners Limited (formerly Anne Street Partners Limited).
6 Resigned 1 August 2018. See also related party transactions – note 27.
7 Resigned 29 November 2017.
8 Resigned 29 November 2017.

The current Directors and their interests in the share capital of the Company at 31 March 2019 are disclosed within the Directors' Report.

8. Staff costs

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

	2019 NUMBER	2018 NUMBER
Editorial and production staff	134	127
Sales and marketing staff	35	42
Managerial and administration staff	29	33
	198	202

	2019 £'000	2018 £'000
Wages and salaries	8,674	7,797
Social security costs	1,033	962
Pension and other costs	86	50
Share-based payment charge	11	8
	9,804	8,817

9. Finance income

	2019 £'000	2018 £'000
Bank interest receivable	12	2

10. Finance costs

	2019 £'000	2018 £'000
Net foreign exchange losses / (gains)	12	(23)

11. Taxation

	2019 £'000	2018 £'000
Current tax		
Current tax on income for the year at 19% (2018: 19%)	–	162
Adjustments in respect of prior periods	37	–
	37	162
Overseas tax		
Current tax expense on income for the year	41	20
Total current tax expense	78	182
Deferred tax (see note 23)		
Origination and reversal of temporary differences	(120)	98
Effect of change in tax rate	13	(12)
Adjustments in respect of prior periods	(168)	(86)
Total deferred tax income	(275)	–
Total income tax (credit) / charge	(197)	182

The tax (credit) / charge for the year differs from the standard rate of corporation tax in the UK of 19% (2018: 19%). A reconciliation is provided in the table below:

	2019 £'000	2018 £'000
(Loss) / profit before tax	(5,726)	1,311
Notional tax (credit) / charge at standard rate of 19% (2018: 19%)	(1,088)	246
Effects of:		
Expenses not deductible for tax purposes	840	(2)
Non-qualifying depreciation	272	121
Effect of deferred tax rate changes on realisation and recognition	13	–
Adjustments to tax charge in respect of prior periods	(27)	(87)
Research and development claim	–	(74)
Deferred tax not recognised / (recognised)	3	(22)
Utilisation of losses not provided for	(155)	–
Tax losses carried forward	7	–
Other	(62)	–
Total income tax (credit) / charge	(197)	182

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12. Earnings per share

	2019 £'000	2018 £'000
(Loss) / profit attributable to shareholders	**(5,529)**	1,129
Add: non-recurring items	**4,758**	975
Add: amortisation of intangible assets acquired through business combinations	**351**	408
Add: net exchange losses	**12**	23
Add: share-based payment expense	**11**	8
Adjusted post-tax (loss) / profit attributable to shareholders	**(397)**	2,543

	2019 ORDINARY SHARES	2018 ORDINARY SHARES
Weighted average number of shares		
In issue during the year – basic	**341,640,953**	341,524,286
Adjustment for share options	**1,067,375**	250,000
In issue during the year – diluted	**342,708,328**	341,774,286

	2019 PENCE PER SHARE	2018 PENCE PER SHARE
Earnings per share – continuing operations		
Basic	**(1.62)**	0.33
Diluted	**(1.62)**	0.33
Adjusted earnings per share – continuing operations		
Basic	**(0.12)**	0.74
Diluted	**(0.12)**	0.74

13. Goodwill

	2019 £'000	2018 £'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 entire carrying amount of goodwill of £13.282m has been allocated to the Dods CGU (2018: £13.282m).

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 (2018: £nil).

13. Goodwill (continued)

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 2019/20 were projected based on the budget for 2019/20
- cash flows for years ending 31 March 2021 to 2024 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 2024 are extrapolated using 2% growth rate;
- cash flows were discounted using the CGU's pre-tax discount rate of 9.69%.

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

14. Intangible assets

	ASSETS ACQUIRED THROUGH BUSINESS COMBINATIONS[1] £'000	SOFTWARE £'000	TOTAL £'000
Cost			
At 1 April 2017	24,215	2,436	26,651
Additions – internally generated	–	471	471
At 31 March 2018	24,215	2,907	27,122
Additions – internally generated	–	512	512
Impairment	(259)	–	(259)
At 31 March 2019	**23,956**	**3,419**	**27,375**
Accumulated amortisation			
At 1 April 2017	16,951	989	17,940
Charge for the year	408	466	874
At 31 March 2018	17,359	1,455	18,814
Charge for the year	351	1,789	2,140
At 31 March 2019	**17,710**	**3,244**	**20,954**
Net book value			
At 31 March 2018	6,856	1,452	8,308
At 31 March 2019	**6,246**	**175**	**6,421**

1 Assets acquired through business combinations are disclosed in the table on the following page.

The £259K impairment for the year relates to Fenman publishing rights. The Fenman print products are loss making and as such an impairment has been recognised.

The increase in amortisation charge for intangibles reflects the strategic review carried out by the Board on the useful economic life of the software platform developed in-house by the Group. As a consequence of that review the amortisation charge increased by £1.3 million reflecting a shortened useful economic life of the intangible asset.

The useful economic lives of the intangible assets are as follows:

- Dods 75 years
- Total Politics 20 years
- Holyrood 20 years
- Software intangibles (current) 0-1 year (reflecting strategic review of useful life outlined above)
- Software intangibles (future) 3-6 years

The carrying value of publishing rights with a useful economic life of 75 years is £4.1 million (2018: £4.2 million).

Included within intangible assets are internally generated assets with a net book value of £0.2 million (2018: £1.4 million).

14. Intangible assets (continued)

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 1 April 2017	19,193	1,277	2,951	640	154	24,215
At 31 March 2018	19,193	1,277	2,951	640	154	24,215
Impairment	(259)	–	–	–	–	(259)
At 31 March 2019	**18,934**	**1,277**	**2,951**	**640**	**154**	**23,956**
Accumulated amortisation						
At 1 April 2017	11,940	1,277	2,940	640	154	16,951
Charge for the year	397	–	11	–	–	408
At 31 March 2018	12,337	1,277	2,951	640	154	17,359
Charge for the year	351	–	–	–	–	351
At 31 March 2019	**12,688**	**1,277**	**2,951**	**640**	**154**	**17,710**
Net book value						
At 31 March 2018	6,856	–	–	–	–	6,856
At 31 March 2019	**6,246**	**–**	**–**	**–**	**–**	**6,246**

15. Property, plant and equipment

	LEASEHOLD IMPROVEMENTS £'000	EQUIPMENT AND FIXTURES AND FITTINGS £'000	TOTAL £'000
Cost			
At 1 April 2017	1,728	1,090	2,818
Additions	216	45	261
Disposals	–	(63)	(63)
At 31 March 2018	1,944	1,072	3,016
Additions	66	49	115
At 31 March 2019	**2,010**	**1,121**	**3,131**
Accumulated depreciation			
At 1 April 2017	106	289	395
Charge for the year	173	184	357
Disposals	–	(63)	(63)
At 31 March 2018	279	410	689
Charge for the year	201	178	379
At 31 March 2019	**480**	**588**	**1,068**
Net book value			
At 31 March 2018	1,665	662	2,327
At 31 March 2019	**1,530**	**533**	**2,063**

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16. Subsidiaries

COMPANY	ACTIVITY	% HOLDING	COUNTRY OF REGISTRATION
Dods Parliamentary Communications Limited[1]	Publishing	100	England and Wales
Fenman Limited[1]	Publishing	100	England and Wales
Holyrood Communications Ltd[2]	Publishing	100	Scotland
Le Trombinoscope SAS[3]	Publishing	100	France
Total Politics Limited[1]	Publishing	100	England and Wales
Training Journal Limited[1]	Holding company	100	England and Wales
European Parliamentary Communications Services SPRL[4]	Dormant	100	Belgium
Mislex (420) Limited[1]	Dormant	100	England and Wales
Monitoring Services Limited[1]	Dormant	100	England and Wales
Political Wizard Limited[1]	Dormant	100	England and Wales
Social Lens Limited[1]	Dormant	100	England and Wales
Vacher Dod Publishing Limited[1]	Dormant	100	England and Wales
VDP Limited[1]	Dormant	100	England and Wales

Syntri Limited, Syntri Group Limited and Syntri Media Group Limited were dormant companies that were dissolved during the year.

1 Registered address: 11th Floor, The Shard, 32 London Bridge Street, London, SE1 9SG.

2 Registered address: Panmure Court, 32 Calton Road, Edinburgh, EH8 8DP.

3 Registered address: 315 Bureaux de la Colline, 1 rue Royale, 92213 Saint-Cloud cedex, Paris, France.

4 Registered address: Boulevard Carlemagne 1, 1041 Bruxelles, Belgium.

During the current year the Group have elected to provide a parental guarantee to Fenman Limited, Total Politics Limited and Holyrood Communications Ltd in accordance with section 479C of the Companies Act 2006, meaning that they are exempt from the requirement to have a statutory audit.

17. Investments in associates

Set out below are the associates and joint ventures of the Group as at 31 March 2019 which, in the opinion of the directors, are individually not material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

NAME OF ENTITY	% OWNERSHIP	CARRYING AMOUNT 2018 £'000	IMPAIRMENT 2019 £'000	SHARE OF PROFIT 2019 £'000	**CARRYING AMOUNT 2019 £'000**
Sans Frontieres Associates Ltd[1]	40	-	-	-	**-**
Social 360 Limited[2]	30	1,684	(1,231)	50	**503**
		1,684	(1,231)	50	**503**

Place of business/country of incorporation of both entities is England. The Group accounts for both entities as equity-accounted associates. After a strategic review, the Board impaired the Group's investment in Social 360 Limited by £1,231,000.

1. On 16th February 2017, the Group purchased 40% of the issued share capital of Sans Frontieres Associates Limited (SFA), a company registered in England and Wales, for a carrying value of £40. The carrying value of the investment in the associate at year end was £nil (2018: £nil).

17. Investments in associates (continued)

SFA's objective is to redefine the approach taken to international geopolitical and crisis communications consulting.

As at the year end the Group had loaned SFA £700,000 (2018: £700,000). The total unsecured loan of £700,000 carries no interest rate charge and is repayable in 2022. Recoverability is reviewed on an annual basis.

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

2. On 16th November 2017, the Group purchased 30% of the enlarged share capital of Social 360 Limited (Social360), a company registered in England and Wales, for a carrying value of £1.68 million in cash including acquisition costs. Social360 provides intelligent digital media monitoring and analysis.

The acquisition includes a contractual option for the Group, at its sole discretion, to purchase the balance of the current existing shares between November 2019 and November 2020, at a valuation based upon Social360's prevailing EBITDA. It is considered that the fair value of the option at the balance sheet date is £nil (2018: £nil).

During the year, after a strategic review, the Board impaired the Group's investment in Social 360 Limited by £1,231,000.

The total share of profit recognised from associates is £50,000 (2018: loss of £9,122), which is considered immaterial.

18. Inventories

	2019 £'000	2018 £'000
Finished goods	**16**	12
	16	12

19. Financial instruments

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:

	2019 £'000	2018 £'000
Financial assets		
Trade and other receivables	**2,318**	2,123
Long-term loan	**700**	700
Cash and cash equivalents	**7,160**	7,491
Restricted cash held in deposit account	**1,266**	1,266
	11,444	11,580
Financial liabilities		
Trade and other payables	**(9,870)**	(7,906)
	(9,870)	(7,906)
Net financial assets and liabilities	**1,574**	3,674
Non-financial instruments		
Plant, property and equipment	**2,063**	2,327
Goodwill	**13,282**	13,282
Other intangible assets	**6,421**	8,308
Prepayments and accrued income	**1,266**	1,346
Inventories	**16**	12
Other non-financial instruments	**(1,116)**	359
Provisions for deferred tax	**(487)**	(763)
	21,445	24,871
Total equity	**23,019**	28,545

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

Credit risk

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

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

At 31 March 2019, £270,000 of the Group's trade receivables were exposed to risk in countries other than the United Kingdom (2018: £174,000).

19. Financial instruments (continued)

The ageing of trade receivables at the reporting date was:

	GROSS 2019 £'000	PROVIDED 2019 £'000	GROSS 2018 £'000	PROVIDED 2018 £'000
Current or overdue by less than 3 months	**1,958**	**–**	1,678	(41)
Overdue by greater than 3 months	**96**	**(95)**	75	–
	2,054	**(95)**	1,753	(41)

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:

	2019 £'000	2018 £'000
Balance at the beginning of the year	**41**	65
Movement	**54**	(24)
Balance at the end of the year	**95**	41

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 are materially the same as their carrying amount.

Currency risk

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

Share capital

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

Sensitivity analysis

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

At 31 March 2019, it is estimated that a general increase of one percentage point in interest rates would have decreased the Group's profit before tax by approximately £nil (2018: £nil). This is because the Group does not have borrowings.

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 £25,000 (2018: £11,000).

Fair values

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

Capital management

The Group manages its capital to ensure that all entities in the Group will be able to continue as a going concern while maximising return to stakeholders, as well as sustaining the future development of the business. The capital structure of the Group consists of cash and cash equivalents and equity attributable to the owners of the parent, comprising issued share capital, other reserves and retained earnings.

20. Other financial assets

TRADE AND OTHER RECEIVABLES	2019 £'000	2018 £'000
Trade receivables	1,959	1,755
Other receivables	359	368
Prepayments and accrued income	1,266	1,346
	3,584	3,469

Trade and other receivables denominated in currencies other than Sterling comprise £269,729 (2018: £135,677) denominated in Euros.

CASH RELATED	2019 £'000	2018 £'000
Cash and cash equivalents	7,160	7,491
Restricted cash held in deposit account	1,266	1,266
	8,426	8,757

Cash includes £1,794,301 (2018: £1,379,000) denominated in Euros.

Included in cash at bank is a rental deposit of £1,266,000 (2018: £1,266,000) held in a bank account in the Group's name which is subject to a guarantee in favour of the landlord of the London premises of the Group. Once the Group meets key adjusted EBIDTA performance metrics then the deposit becomes unrestricted.

21. Current liabilities

TRADE AND OTHER PAYABLES	2019 £'000	2018 £'000
Trade creditors	1,129	2,014
Other creditors including tax and social security	1,619	1,325
Accruals and deferred income	8,741	5,892
	11,489	9,231

Current liabilities denominated in currencies other than Sterling compromise £25,824 (2018: £45,622) denominated in Euros and £24,893 (2018: £nil) denominated in USD.

22. Interest-bearing loans and borrowings

The Group has no borrowings.

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23. Deferred tax liability

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

	Liabilities	Assets			
	INTANGIBLE ASSETS £'000	OTHER TIMING DIFFERENCES £'000	ACCELERATED CAPITAL ALLOWANCES £'000	TAX LOSSES £'000	TOTAL £'000
At 31 March 2017	849	(72)	176	(190)	763
Charge to income	124	69	(246)	51	-
At 31 March 2018	973	(3)	(70)	(139)	763
Charge to income	(260)	(1)	28	(41)	(275)
At 31 March 2019	**713**	**(4)**	**(42)**	**(180)**	**487**

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

At the balance sheet date, the Group has unused tax losses of £5,100,000 (2018: £5,600,000) available for offset against future profits. A deferred tax asset of £180,000 (2018: £139,000) has been recognised in respect of such losses.

24. Issued capital

	9P DEFERRED SHARES NUMBER	1P ORDINARY SHARES NUMBER	TOTAL £'000
Issued share capital as at 1 April 2018	151,998,453	341,640,953	17,096
Issued share capital as at 31 March 2019	**151,998,453**	**341,640,953**	**17,096**

Holders of deferred shares 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 distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of 1pence aggregate. The deferred shares are also incapable of transfer and no share certificate will be issued.

During the year the Group issued nil (2018: 800,000) ordinary shares on the exercise of employee share options for cash consideration of £nil (2018: £44,000) of which £nil (2018: £8,000) was credited to share capital and £nil (2018: £37,000) to share premium.

25. Operating lease commitments

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

Land and buildings	2019 £'000	2018 £'000
Within one year	1,137	1,137
Between two and five years	4,272	4,357
After five years	2,137	3,431
	7,546	8,925

26. Share-based payments

Executive Share Option Scheme

The Company operates an Unapproved Executive Share Option Scheme under which equity-settled share options are granted to selected Group employees. Currently, only 1 employee holds options under the scheme, and this employee is not a director of the Company. The contractual life of each grant is 10 years. No more awards will be made under this scheme.

Grant date	OUTSTANDING OPTIONS AT 1 APRIL 2018	GRANTED DURING THE YEAR	LAPSED/EXERCISED DURING THE YEAR	OUTSTANDING OPTIONS AT 31 MARCH 2019
6 May 2009	150,000	–	–	**150,000**
4 November 2010	100,000	–	–	**100,000**
	250,000	–	–	**250,000**

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

Long-Term Incentive Plan (LTIP)

During the year, the Company granted the Chief Executive Officer a conditional award under a new long-term incentive plan.

Grant date	OUTSTANDING OPTIONS AT 1 APRIL 2018	GRANTED DURING THE YEAR	LAPSED/EXERCISED DURING THE YEAR	OUTSTANDING OPTIONS AT 31 MARCH 2019
21 September 2018	–	1,562,000	–	**1,562,000**
	–	1,562,000	–	**1,562,000**

To become exercisable, the options are dependent on the market capitalisation of the Group. The options have a contractual life of 3 years, with the potential for additional value to be realised after a 4th year, subject to performance hurdles. The first £250,000 of this long-term incentive plan are under an approved EMI scheme. The option pricing model used in relation to the LTIP is a Monte-Carlo simulation model. Significant assumptions used include volatility and risk-free rates.

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

	NUMBER OF ORDINARY SHARES	WEIGHTED AVERAGE EXERCISE PRICE (PENCE)
As at 1 April 2017	1,250,000	6.4p
Exercised during the year	(800,000)	5.5p
Cancelled during the year	(200,000)	
As at 31 March 2018	**250,000**	**10.0p**
Granted during the year	**1,562,000**	**n/a**
As at 31 March 2019	**1,812,000**	**n/a**

The following options were outstanding under the Company's Executive Share Option Scheme and LTIP as at 31 March 2019:

	NUMBER OF ORDINARY SHARES	EXERCISE PRICE PER SHARE (PENCE)	EXERCISE PERIOD
Executive Share Option Scheme			
6 May 2009	150,000	10.0p	May 2019
4 November 2010	100,000	10.0p	Nov 2020
Long-Term Incentive Plan			
21 September 2018	1,562,000	16.1087p	Sept 2021
	1,812,000		

The income statement charge in respect of the LTIP for the year was £11,000 (2018: income statement charge in respect of the EMI Share Option Scheme was £8,000).

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27. Related party transactions

During the year, CC Jones Consulting Limited provided strategic consultancy services to Dods Group plc to the value of £85,000 (2018: £250,000). Former Chairman Cheryl C. Jones is also a director of CC Jones Consulting Limited (also refer to note 7 detailing directors' remuneration).

During the year, Artefact Partners LLP provided strategic consultancy services to Dods Group plc to the value of £20,000 (2018: £nil). Current non-executive director Richard Boon is a LLP designated member of Artefact Partners LLP (also refer to note 7 detailing directors' remuneration).

During the year, the Group made an interest free loan to its associate Sans Frontieres Associates (SFA) of £nil (2018: £500,000). At 31 March 2019 the total balance of £700,000 was outstanding (2018: £700,000).

During the year, an amount of £60,781 was payable to an associate Social 360 Limited, in relation to profit-share for monitoring services provided. At 31 March 2019, £11,490 of this balance was outstanding.

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

28. Events occurring after the reporting date

Subsequent to the year end balance date, the Group has announced its intention to purchase 100 percent of the share capital of Meritgroup Limited and its subsidiaries, for a consideration of £22.4m. Due to the proximity of the date of the announcement to the date these financial statements were authorised for issue, the Group considers it impracticable to produce disclosures required under IFRS 3 regarding the acquisition fair value of assets and liabilities to be acquired under the acquisition.

The Company has entered into a new 5-year £5m debt facility with Barclays Bank plc, the primary purpose of which is to part fund the Acquisition.

Parent company balance sheet

As at 31 March 2019

	NOTE	2019 £'000	2018 £'000
Non-current assets			
Intangible assets	31	**1,085**	1,153
Tangible fixed assets	32	**1,954**	2,212
Investments	33	**20,974**	22,205
Long-term loan		**700**	700
Total non-current assets		**24,713**	26,270
Current assets			
Debtors	34	**4,663**	3,936
Cash	35	**1,962**	2,805
Total current assets		**6,625**	6,741
Total assets		**31,338**	33,011
Capital and reserves			
Called-up share capital	37	**17,096**	17,096
Share premium account		**8,143**	8,143
Merger reserve		**409**	409
Profit and loss account		**1,340**	4,537
Total equity		**26,988**	30,185
Current liabilities			
Trade and other payables	36	**3,974**	2,450
Total current liabilities		**3,974**	2,450
Non-current liabilities			
Other payables	36	**376**	376
Total non-current liabilities		**376**	376
Total equity and liabilities		**31,338**	33,011

During the year, the company made a loss of £3,196,929 (2018: profit of £181,000).

The notes on pages 56 to 62 form part of these financial statements.

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

Nitil Patel
Chief Financial Officer
27 June 2019

FINANCIAL STATEMENTS

Parent company statement of changes in equity

For the year ended 31 March 2019

	SHARE CAPITAL £'000	SHARE PREMIUM[1] £'000	MERGER RESERVE[2] £'000	RETAINED EARNINGS £'000	TOTAL SHAREHOLDERS' FUNDS £'000
At 1 April 2017	17,088	8,106	409	4,362	**29,965**
Total comprehensive income					
Profit for the year	–	–	–	181	**181**
Share-based payment charge	–	–	–	(6)	**(6)**
Transactions with the owners					
Issue of ordinary shares	8	37	–	–	**45**
At 31 March 2018	**17,096**	**8,143**	**409**	**4,537**	**30,185**
Total comprehensive income					
Profit for the year	**–**	**–**	**–**	**(3,197)**	**(3,197)**
Share-based payment charge	**–**	**–**	**–**	**–**	**–**
Transactions with the owners					
Issue of ordinary shares	**–**	**–**	**–**	**–**	**–**
At 31 March 2019	**17,096**	**8,143**	**409**	**1,340**	**26,988**

1 The share premium reserve represents the amount paid to the Company by shareholders above the nominal value of shares issued.

2 The merger reserve represents accounting treatment in relation to historical business combinations.

The notes on pages 56 to 62 form part of these financial statements.

Notes to the parent company financial statements

For the year ended 31 March 2019

29. Statement of Accounting Policies - company

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

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

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

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

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

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

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

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

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

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

29. Statement of Accounting Policies - company (continued)

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

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

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

- the Company is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is calculated using the tax rates and laws that that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

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

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

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

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

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

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

29. Statement of Accounting Policies - company (continued)

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

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

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

30. Staff costs - company

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

	2019	2018
Managerial and administration staff	**8**	8

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

	2019 £'000	2018 £'000
Wages and salaries	**786**	678
Social security costs	**96**	90
Pension and other costs	**1**	1
Share-based payment charge	**11**	8
	894	777

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

31. Intangible assets - company

	PUBLISHING RIGHTS TOTAL £'000
Cost	
At 1 April 2017	1,357
At 31 March 2018	1,357
At 31 March 2019	**1,357**
Accumulated amortisation	
At 1 April 2017	136
Charge for the year	68
At 31 March 2018	204
Charge for the year	68
At 31 March 2019	**272**
Net book value	
At 31 March 2018	1,153
At 31 March 2019	**1,085**

32. Tangible fixed assets - company

	LEASEHOLD IMPROVEMENTS £'000	IT EQUIPMENT £'000	TOTAL £'000
Cost			
At 1 April 2017	1,709	748	2,457
Additions	217	-	217
At 31 March 2018	1,926	748	2,674
Additions	66	-	66
At 31 March 2019	**1,992**	**748**	**2,740**
Accumulated depreciation			
At 1 April 2017	89	77	166
Charge for the year	173	123	296
At 31 March 2018	262	200	462
Charge for the year	201	123	324
At 31 March 2019	**463**	**323**	**786**
Net book value			
At 31 March 2018	1,664	548	2,212
At 31 March 2019	**1,529**	**425**	**1,954**

33. Fixed asset investments - company

	ASSOCIATES £'000	SUBSIDIARY UNDERTAKINGS £'000	TOTAL £'000
Cost			
As at 1 April 2018	1,694	20,511	22,205
Impairment	(1,231)	–	(1,231)
As at 31 March 2019	**463**	**20,511**	**20,974**

Detailed disclosures on subsidiary undertakings are given in note 16 and associates in note 17. During the year, the carrying value of the Company's investment in Social 360 Limited was impaired by £1,231,000.

FINANCIAL STATEMENTS

34. Trade and other receivables - company

	2019 £'000	2018 £'000
Other debtors	**9**	198
Amounts owed by group undertakings	**4,285**	3,437
Deferred tax asset	**153**	153
Prepayments and accrued income	**216**	148
	4,663	3,936

35. Cash and cash equivalents - company

	2019 £'000	2018 £'000
Cash and cash equivalents	**1,962**	2,805

36. Trade and other payables - company

	2019 £'000	2018 £'000
Trade and other payables: amounts falling due within one year		
Amounts owed to group undertakings	**1,232**	1,534
Deferred tax liability	**–**	–
Other creditors including tax and social security	**15**	–
Accruals and deferred income	**2,727**	916
	3,974	2,450

	2019 £'000	2018 £'000
Trade and other payables: amounts falling due after more than one year		
Amounts owed to group undertakings	**376**	376
	376	376

37. Share capital - company

	9P DEFERRED SHARES NUMBER	1P ORDINARY SHARES NUMBER	TOTAL £'000
Issued share capital as at 1 April 2018	151,998,453	341,640,953	17,096
Issued share capital as at 31 March 2019	**151,998,453**	**341,640,953**	**17,096**

Holders of deferred shares 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 distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of 1pence aggregate. The deferred shares are also incapable of transfer and no share certificate will be issued.

During the year the Company issued nil (2018: 800,000) ordinary shares on the exercise of employee share options for cash consideration of £nil (2018: £44,000) of which £nil (2018: £8,000) was credited to share capital and £nil (2018: £37,000) to share premium.

38. Operating lease commitments - company

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

	2019 £'000	2018 £'000
Land and buildings		
Within one year	**1,056**	1,056
Between two and five years	**4,223**	4,223
After five years	**2,136**	3,431
	7,415	8,710

39. Related party disclosures - company

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

During the year, CC Jones Consulting Limited provided strategic consultancy services to Dods Group plc to the value of £85,000 (2018: £250,000). Former Chairman Cheryl C. Jones is also a director of CC Jones Consulting Limited (also refer to note 7 detailing directors' remuneration).

During the year, Artefact Partners LLP provided strategic consultancy services to Dods Group plc to the value of £20,000 (2018: £nil). Current non-executive director Richard Boon is a LLP designated member of Artefact Partners LLP (also refer to note 7 detailing directors' remuneration).

During the year, the Company made an interest free loan to its associate Sans Frontieres Associates (SFA) of £nil (2018: £500,000). At 31 March 2019 the total balance of £700,000 was outstanding (2018: £700,000).

40. Events occurring after the reporting date

Subsequent to the year end balance date, the Company has announced its intention to purchase 100 percent of the share capital of Meritgroup Limited and its subsidiaries, for a consideration of £22.4m. Due to the proximity of the date of the announcement to the date these financial statements were authorised for issue, the Company considers it impracticable to produce disclosures regarding the acquisition fair value of assets and liabilities to be acquired under the acquisition.

The Company has entered into a new 5-year £5m debt facility with Barclays Bank plc, the primary purpose of which is to part fund the Acquisition.

FINANCIAL STATEMENTS

Our products and services

NOTICE OF ANNUAL GENERAL MEETING

Notice of Annual General Meeting

Dods Group plc
(The "Company")
(Incorporated and registered in England and Wales with registered no. 04267888)

To be held at the offices of Fieldfisher LLP at Riverbank House, 2 Swan Lane, London EC4R 3TT on 29 August 2019 at 9.00am.

Those shareholders who wish to attend the Annual General Meeting in person should attend reception at Riverbank House at least 20 minutes prior to the commencement of the meeting and inform reception staff that they are attending the Annual General Meeting of Dods Group plc, which is taking place in the offices of Fieldfisher LLP.

Please note: All attendees will be required to present photo ID to reception staff before they will be granted access to the venue.

Ordinary business

1. To lay before the meeting the Company's annual accounts for the financial year ended 31 March 2019, together with the directors' report and the auditors' report on those accounts.
2. To re-appoint Grant Thornton UK LLP as auditors to the Company to hold office from the conclusion of the meeting until the conclusion of the next annual general meeting at which accounts are laid.
3. To authorise the directors to set the auditors' remuneration.
4. To re-appoint Dr David Hammond as a director of the Company pursuant to article 111 of the articles of association of the Company.
5. To re-appoint Richard Boon as a director of the Company pursuant to article 111 of the articles of association of the Company.
6. To re-appoint Nitil Patel as a director of the Company who retires by rotation.

Special business

As special business, to consider and, if thought fit, to pass the following resolutions which will be proposed as to resolution 7 as an ordinary resolution and to resolutions 8 and 9 as special resolutions:

7. **That**, in place of all existing authorities to the extent unused, the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot equity securities (as defined in section 560 of the Act) **up to** an aggregate nominal amount of £1,861,182 (being 186,118,230 ordinary shares of £0.01 each or 33.3% of issued share capital) for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the Company's annual general meeting to be held in 2020, but so that such authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry and the Directors may allot equity securities (as defined in section 560 of the Act) in pursuance of such offers or agreements as if this authority had not expired.
8. **That**, subject to and conditional upon Resolution 7 set out in this notice having been passed, in substitution for all subsisting authorities to the extent unused, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by Resolution 7 above and/or where the allotment constitutes an allotment of equity securities by virtue of section 573 of the Act, as if section 561 of the Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:

   (a) in connection with a rights issue or open offer in favour of the holders of ordinary shares on the register of members at such record dates(s) or any other persons entitled to participate in such rights issue or open offer (other than the Company itself in respect of any shares held by it as treasury shares) as the Directors may determine, where the equity securities respectively attributable to the interest of the ordinary shareholders are proportionate (as nearly as may be) to the respective number of ordinary shares held by them on any record date(s), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal practical problems arising under the laws of any territory or the requirements of any recognised regulatory body or stock exchange or otherwise, and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the Company's annual general meeting to be held in 2020; and

   (b) the allotment (other than pursuant to paragraph (a) of this Resolution) to any person or persons of equity securities **up to** an aggregate nominal value of £278,619 and shall expire being 4.99% of issued share capital (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the Company's annual general meeting to be held in 2020;

   but so that such authority shall allow the Company before such expiry to make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if this authority had not expired.
9. **To** authorise the Company generally and unconditionally to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.01 each provided that:

   (a) The maximum aggregate number of ordinary shares that may be purchased is **up to** 55,779,633 being 9.99% of issued share capital.

   (b) The minimum price (excluding expenses) which may be paid for each ordinary share is £0.01.

   (c) The maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:

      (i) 105 per cent of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and

      (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for:

         (a) the last independent trade of; and

         (b) the highest current independent bid for,

         any number of the Company's ordinary shares on the trading venue where the purchase is carried out.

The authority conferred by this resolution shall expire on 30 August 2020 or, if earlier, at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

10. Any other business for which proper notice has been given.

By order of the Board
Dr David Hammond
Non-executive Chairman
Dods Group plc
Date: 18 July 2019

Registered Office: 11th Floor, The Shard, 32 London Bridge Street, London SE1 9SG

NOTICE OF ANNUAL GENERAL MEETING

Notes

1. A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint another person of his/her choice as that Shareholder's proxy to exercise all or any of that Shareholder's rights to attend and to speak and vote at the meeting on his/her behalf. A Shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy does not need to be a shareholder of the Company.
2. Completion of a Form of Proxy will not prevent a Shareholder from attending and voting in person at the meeting. Addresses (including electronic addresses) in this document are included strictly for the purposes specified and not for any other purpose.
3. To appoint a proxy or proxies Shareholders must complete a Form of Proxy, together with the power of attorney or, any other authority under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU so that it is received no later than 9.00am on 27 August 2019.
4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders included in the register of members of the Company at COB on 27 August 2019 or, if the meeting is adjourned, in the register of members at COB on the day which is two days before the day of any adjourned meeting, will be entitled to attend and to vote at the meeting in respect of the number of shares registered in their names at that time. Changes to entries on the share register after COB on 27 August 2019 or, if the meeting is adjourned, in the register of members after COB on the day which is two days before the day of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the meeting.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held at 9.00am on 29 August 2019 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Link Asset (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

   CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

   The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank proxy form. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
7. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
8. Copies of the following documents will be available for inspection at the Company's registered office during normal working hours on any week day (Saturdays, Sundays and public holidays excepted) from the date of this notice until the date of the Annual General Meeting and at the place of the Annual General Meeting for 15 minutes prior to and during the meeting:

   (a) copies of all service agreements or letters of appointment under which the directors of the Company are employed by the Company.
9. Biographical details of each director who is being proposed for re-appointment or re-election by shareholders can be found by visiting the Company's website www.dodsgroup.com
10. **You will not have received a hard copy proxy form for the 2019 AGM in the post. You can instead submit your proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the 'Vote Online Now' link. You will require your username and password in order to log in and vote. If you have forgotten your username or password you can request a reminder via the shareholder portal. If you have not previously registered to use the portal you will require your investor code ('IVC') which can be found on your share certificate or dividend notification. Proxy votes should be submitted as early as possible and in any event, no later than 9.00a.m. on 27 August 2019. You may request a hard copy proxy form directly from the Registrars, Link Asset Services by emailing enquiries@linkgroup.co.uk or by post at Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. or by telephone to the shareholder helpline: (from the UK) 0871 664 0300 (from outside the UK) + 44 (0)371 664 0300 Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate; lines are open 9.00am to 5.30pm, Monday to Friday excluding public holidays in England and Wales.**

COMPANY DIRECTORY

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www.dodsgroup.com

Registered Number
04267888

SECRETARY AND ADVISERS

Secretary
Fieldfisher Secretaries Limited
Riverbank House
2 Swan Lane
London EC4R 3TT

Registrar
Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

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

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

Bankers
Barclays
1 Churchill Place
Canary Wharf
London E14 5HP

Legal Advisers
Reynolds Porter Chamberlain LLP
Tower Bridge House
St Katharine's Way
London E1W 1AA

COMPANY REGISTRAR

You can contact Link's Customer Support Centre which is available to answer any queries you have in relation to your shareholding:

By phone – UK – 0871 664 0300, from overseas call +44 (0) 371 664 0300 calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate.

We are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

By email – enquiries@linkgroup.co.uk

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

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

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 2019 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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