Dods Group PLC
YEAR END RESULTS 31 MARCH 2017 (AUDITED)

Financial Highlights

- Revenue of £20.0 million (2016: £19.6 million)
- Gross profit margin at 41% (2016: 38%)
- Adjusted EBITDA at £3.4 million (2016 £3.0 million) *
- Cash generated from operations in the year was £3.4 million (2016 £3.5 million)
- Net cash of £9.0 million at 31 March 2017 (at 31 March 2016: net cash of £9.1 million) **
- Reported profit before tax £1.6 million (2016: £1.1 million)
- Adjusted EPS 0.79 pence (2016: 0.66 pence)
- Total assets of £36.5 million (2016: £34.0 million)

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

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

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

Cheryl Jones, Chairman, commented:

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

Results

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

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

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

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

The Group's operations generated £3.4 million of cash during the fiscal year. Continuous improvement in back office procedures, a decrease in days sales outstanding from 37 days to 32 days and diligent management focus all contributed to cash generation. The Group used £3.1 million in investing activities during the year of which £2.5 million was used for the build-out, furnishings and equipment related to the relocation of Dods' registered office and headquarters into new premises at The Shard in London Bridge Quarter. The remaining £0.6 million included normal expenditures for software and hardware and a strategic investment in Sans Frontières Associates Limited. At year-end, the Group's net cash position was £9.0 million (includes restricted cash of £1.3 million held in a deposit account, in our name, supporting a lease agreement).

Growth Priorities

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

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

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

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

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

As a start, in February 2017, the Group announced completion of a strategic investment in Sans Frontières Associates (SFA), acquiring a 40.0% stake in the business. SFA is an international consulting services and communications-led solutions company based in London. The Board believes SFA's core capabilities and international reach are in keeping with the trends and changing market requirements, and SFA has the ability to redefine the approach taken to international geopolitical and crisis communications consulting.

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

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

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

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

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

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

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

Cheryl C. Jones
Chairman

Strategic Report

Business review

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

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

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

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

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

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

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

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

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

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

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

Key financial information

	Year ended 31-Mar-17 £'000	Year ended 31-Mar-16 £'000	Year ended 31-Mar-15 £'000
Revenue	**19,965**	**19,620**	**18,301**
Adjusted EDITDA	**3,401**	**2,958**	**1,205**
Depreciation of property, plant and equipment	(301)	(230)	(228)
Amortisation of software intangible assets	(368)	(412)	(763)
Amortisation of intangible assets acquired through business combinations	(584)	(629)	(791)
Adjusted EBIT	**2,148**	**1,687**	**(577)**
Adjustments			
Adjustment to amortisation of intangible assets acquired through business combinations following product reviews			(2,781)
Non recurring restructuring costs	(221)	(518)	(632)
Non recurring amortisation cost following software and systems review			(578)
Non recurring other items	(331)	(26)	(340)
Net finance costs	(49)	(21)	(63)
Reported earnings before tax (PBT)	**1,547**	**1,122**	**(4,971)**
Gross Profit Margin	41%	38%	29%
Adjusted EBITDA Margin	17%	15%	7%
PBT Margin	8%	6%	-27%

Operational review

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

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

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

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

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

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

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

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

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

Guy Cleaver
Chief Executive Officer

Finance report

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

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

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

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

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

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

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

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

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

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

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

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

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

Nitil Patel
Chief Financial Officer

CONSOLIDATED INCOME STATEMENT
for the year ended 31 March 2017

Continuing operations	Note	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
Revenue	3	**19,965**	19,620
Cost of sales		**(11,729)**	(12,172)
Gross profit		**8,236**	7,448
Administrative expenses		**(4,835)**	(4,490)
Adjusted EBITDA		**3,401**	2,958
Depreciation of tangible fixed assets	9	**(301)**	(230)
Amortisation of intangible assets acquired through business combinations	8	**(584)**	(629)
Amortisation of software intangible assets	8	**(368)**	(412)
Non-recurring items	4	**(221)**	(544)
Operating profit		**1,927**	1,143
Net finance costs		**(380)**	(21)
Profit before tax		**1,547**	1,122
Income tax credit/(charge)	5	**16**	(36)
Profit for the year attributable to equity holders of parent company		**1,563**	1,086
Profit per share			
Basic	6	**0.46 p**	0.32 p
Diluted	6	**0.46 p**	0.32 p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2017

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Goodwill	7	**13,282**	13,282
Investment in associates		**-**	-
Intangible assets	8	**8,711**	9,260
Property, plant and equipment	9	**2,423**	186
Total fixed assets		**24,416**	22,728
Current assets			
Inventories		**35**	41
Trade and other receivables	10	**2,805**	2,190
Cash at bank and in hand	10	**7,767**	9,083
Restricted cash held in deposit account	10	**1,266**	-
Total Current assets		**11,873**	11,314
Non-Current assets			
Long term loan		**200**	-
Total non-current assets		**200**	-
Total assets		**36,489**	34,042
Capital and reserves			
Issued capital	11	**17,088**	17,083
Share premium		**8,105**	8,057
Other reserves		**409**	409
Retained profit		**1,784**	221
Share option reserve		**36**	27
Translation reserve		**(154)**	(68)
Total equity		**27,268**	25,729
Current liabilities			
Trade and other payables		**8,458**	7,474
Total current liabilities		**8,458**	7,474
Non-current liabilities			
Deferred tax liability		**763**	839
Total non-current liabilities		**763**	839
Total Equity and Liabilities		**36,489**	34,042

The accompanying notes form an integral part of this consolidated statement of financial position.

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

Cheryl C. Jones
Chairman
25 May 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2017

	Share capital	Share premium	Merger reserve	Retained earnings	Translation reserve	Share option reserve	**Total shareholders' Funds**
	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
At 31 March 2015	**17,078**	**8,009**	**409**	**(882)**	**(66)**	**47**	**24,595**
Total comprehensive loss							
Loss for the year	-	-	-	1,086	-	-	**1,086**
Other comprehensive loss							
Currency translation differences	-	-	-	-	(2)	-	**(2)**
Transactions with owners							
Exercise of share options	5	48	-	-	-	-	**53**
Lapsed option transfer	-	-	-	17	-	(17)	**-**
Share based payment	-	-	-	-	-	(3)	**(3)**
At 31 March 2016	**17,083**	**8,057**	**409**	**221**	**(68)**	**27**	**25,729**
Total comprehensive loss							
Profit for the year	-	-	-	1,563	-	-	**1,563**
Other comprehensive loss							
Currency translation differences	-	-	-	-	(86)	-	**(86)**
Transactions with owners							
Issue of ordinary shares	5	48	-	-	-	-	**53**
Share based payment	-	-	-	-	-	9	**9**
At 31 March 2017	**17,088**	**8,105**	**409**	**1,784**	**(154)**	**36**	**27,268**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2017

	Note	**Year ended 31 March 2017**	Year ended 31 March 2016
		£'000	£'000
Profit for the year		**1,563**	1,086
Depreciation of property, plant and equipment	9	**301**	230
Amortisation of intangible assets acquired through business combinations	8	**584**	629
Amortisation of other intangible assets	8	**368**	412
Share based payments charge/(credit)		**9**	(3)
Net finance costs		**380**	21
Income tax (credit)/charge	5	**(16)**	36
Operating cash flows before movements in working capital		**3,189**	2,411
Change in inventories		**6**	33
Change in trade and other receivables		**(615)**	781
Change in trade and other payables		**897**	300
Cash generated by operations		**3,477**	3,525
Taxation paid		**(60)**	(30)
Net cash from operating activities		**3,417**	3,495
Cash flows from investing activities			
Interest and similar income received		**19**	26
Acquisition to property, plant and equipment	9	**(2,530)**	(108)
Additions to intangible assets	8	**(411)**	(244)
Long term loan		**(200)**	-
Net cash used in investing activities		**(3,122)**	(326)
Cash flows from financing activities			
Proceeds from issue of share capital		**53**	54
Foreign exchange contracts		**(399)**	-
Interest and similar expenses paid		**-**	(47)
Net cash used in financing activities		**(346)**	7
Net (decrease)/ increase in cash and cash equivalents		**(51)**	3,176
Opening cash and cash equivalents		**9,083**	5,908
Effect of exchange rate fluctuations on cash held		**1**	(1)
Closing cash and cash equivalents in continuing operations		**9,033**	9,083
Cash and cash equivalents		**7,767**	9,083
Restricted cash held in deposit account		**1,266**	-
Closing cash at bank		**9,033**	9,083

Notes to the financial statements
31 March 2017

1 Statement of Accounting Policies

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

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

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

The accounting policies set out below, have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

Judgements made by the directors in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Standards adopted

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

Basis of preparation

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

Going Concern

The Group had net current assets as at 31 March 2017 of £3.42 million (2016: £3.84 million). The Directors have considered the implications for Going Concern below, for a period of at least twelve months from the signing of these accounts.

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

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

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

Further information on the Group's business activities, together with factors likely to affect its future development, performance and position are set out in the Business and Financial review.

Basis of consolidation

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

Business combinations

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

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

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

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

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

Revenue recognition - sale of goods

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

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

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

Revenue recognition - sale of services

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

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

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

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

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

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

Leases

When the Group enters 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 caption to which they relate and are separately disclosed either in the notes to the consolidated financial statements or on the face of the consolidated income statement.

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

Taxation

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

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

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

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

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

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

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

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

Goodwill

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

Intangible assets

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

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

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

Impairment

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

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

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is provided to write off the cost less estimated residual value of property, plant and equipment by equal instalments over their estimated useful economic lives as follows:

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

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

Associated companies

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

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

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

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

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

2 Accounting estimates, judgements and adopted IFRS not yet effective

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

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

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

i) Development of software

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

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

b) Intangible assets

When the Group makes an acquisition, management review the business and assets acquired to determine whether any intangible assets should be recognised separately from goodwill. If such an asset is identified, it is valued by discounting the probable future cash flows expected to be generated by the asset over the estimated life of the asset. Where there is uncertainty over the amount of economic benefit and the useful life, this is factored into the calculation. Judgements and estimations are also used by the Directors for the value in use calculation for impairment purposes of goodwill and other intangible assets. Details of goodwill and intangible assets are given in notes 7 and 8.

c) Recoverability of trade receivables

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

d) Deferred tax

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

Details of judgements and estimates in relation to the impairment of goodwill are given in note 7.

Adopted IFRS not yet applied

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

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

3 Segmental information

Business segments

The group considers that it has one operating business segment, being the provision of key information and insights into the political and public policy environments around the UK and European Union.

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

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

Geographical segments

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

	Revenue by geographical market		Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets	
	Year ended 31 Mar 2017 £'000	Year ended 31 Mar 2016 £'000	**Year ended 31 Mar 2017 £'000**	Year ended 31 Mar 2016 £'000	**Year ended 31 Mar 2017 £'000**	Year ended 31 Mar 2016 £'000
UK	**15,972**	15,376	**36,711**	33,531	**2,923**	352
Rest of world	**3,993**	4,244	**138**	511	**18**	-
Continuing operations	**19,965**	19,620	**36,849**	34,042	**2,941**	352

4 Non-recurring items

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

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

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

5 Taxation

	Year ended 31 Mar 2017 £'000	Year ended 31 Mar 2016 £'000
Current tax		

Current tax on income for the year at 20% (2016: 20%)	**60**	5
Overseas tax		
Current tax expense on income for the year at 20% (2016: 20%)	**-**	-
Total current tax expense	**60**	5
Deferred tax		
Origination and reversal of temporary differences	**(36)**	68
Effect of change in tax rate	**(40)**	(37)
Total deferred tax (income)/charge	**(76)**	31
Total income tax (credit)/charge	**(16)**	36

The tax charge for the period differs from the standard rate of corporation tax in the UK of 20% (2016: 20%).

The differences are explained below:

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

6 Earnings per share

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

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

7 Goodwill

	Year ended 31 Mar 2017	Year ended 31 Mar 2016
Cost and Net book value	**£'000**	£'000

Opening balance	**13,282**	13,282
Closing balance	**13,282**	13,282

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

	Year ended 31 Mar 2017	Year ended 31 Mar 2016
	£'000	£'000
Dods	**13,282**	13,282
	13,282	13,282

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

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

The impairment charge was £nil (2016: £nil).

CGU

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

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

- cash flows for 2017/18 were projected based on the budget for 2017/18;
- cash flows for years ending 31 March 2018 to 2021 were prepared using underlying growth rates at an average of 5%, based on management's view on likely trading and likely growth;
- this assumption is based upon both assumed increases in revenue from yield improvements and expansion of markets and also strict cost control;
- cash flows beyond 2021 are extrapolated using 2% growth rate;
- cash flows were discounted using the CGU's pre-tax discount rate of 8.92%.

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

8 Intangible assets

	Assets acquired through business combinations	Software	Total
	£'000	£'000	£'000

Cost			
At 31 March 2015	24,215	3,814	28,029
Additions - internally generated	-	244	244
At 31 March 2016	24,215	4,058	28,273
Reclassified to property, plant and equipment	-	(79)	(79)
Additions - internally generated	-	39	39
Additions – externally generated	-	372	372
Disposals	-	(1,954)	(1,954)
At 31 March 2017	**24,215**	**2,436**	**26,651**
Amortisation			
At 31 March 2015	15,738	2,233	17,971
Charged in year	629	412	1,041
At 31 March 2016	16,367	2,646	19,013
Reclassified to property, plant and equipment	-	(71)	(71)
Charged in year	584	368	952
Disposals	-	(1,954)	(1,954)
At 31 March 2017	**16,951**	**989**	**17,940**
Net book value			
At 31 March 2015	8,477	1,581	10,058
At 31 March 2016	7,848	1,412	9,260
At 31 March 2017	**7,264**	**1,447**	**8,711**

Assets acquired through business combinations

	Publishing rights	Brand names	Customer relationships	Customer lists	Other assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 31 March 2015	19,193	1,277	2,951	640	154	24,215
At 31 March 2016	19,193	1,277	2,951	640	154	24,215
At 31 March 2017	**19,193**	**1,277**	**2,951**	**640**	**154**	**24,215**
Amortisation						
At 31 March 2015	10,831	1,277	2,836	640	154	15,738
Charged in year	577	-	52	-	-	629
At 31 March 2016	11,408	1,277	2,888	640	154	16,367
Charged in year	532	-	52	-	-	584
At 31 March 2017	**11,940**	**1,277**	**2,940**	**640**	**154**	**16,951**
Net book value						
At 31 March 2015	8,362	-	115	-	-	8,477
At 31 March 2016	7,785	**-**	63	-	-	7,848
At 31 March 2017	**7,253**	**-**	**11**	**-**	**-**	**7,264**

No intangible assets have an indefinite useful economic life.

Included within intangible assets are internally generated assets with a net book value of £1,335,000 (2015: £1,405,000).

9 Property, plant and equipment

	Leasehold improvements	Equipment and fixtures and fittings	Total
	£'000	£'000	£'000

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

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

10 Other financial assets

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

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

	Year ended 31 Mar 2017 £'000	Year ended 31 Mar 2016 £'000
Cash at bank		
Cash and cash equivalents	**7,767**	9,083
Restricted cash held in deposit account	**1,266**	-
	9,033	9,083

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

Included in cash at bank is a rental deposit of £1,266,000 (2016: £nil) held in a bank account in the Group's name which is subject to a guarantee in favour of the landlord of the London premises of the Group.

11 Called-up share capital

	9p deferred shares	1p ordinary shares

	Number	Number	£'000
Issued share capital at 31 March 2016	151,998,453	340,305,953	**17,073**
Exercise of share options	-	535,000	**5**
At 31 March 2017	**151,998,453**	**340,840,953**	**17,088**

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

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

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

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

ENDS