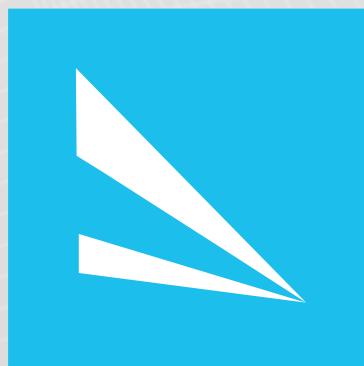
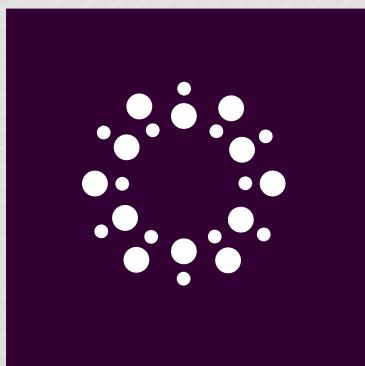


AccessIntelligence



ANNUAL REPORT AND ACCOUNTS 2015
for the year ended 30 November 2015

Contents

Business Overview

Highlights	01
Access Intelligence Overview	02
Chairman's Statement	06
Strategic Report	07

Financial Statements

Consolidated Statement of Comprehensive Income	21
Consolidated Statement of Financial Position	22
Consolidated Statement of Changes in Equity	23
Consolidated Statement of Cash Flow	25
Notes to the Consolidated Statements	26
Company Balance Sheet	56
Notes to the Company Financial Statements	57

Corporate Governance

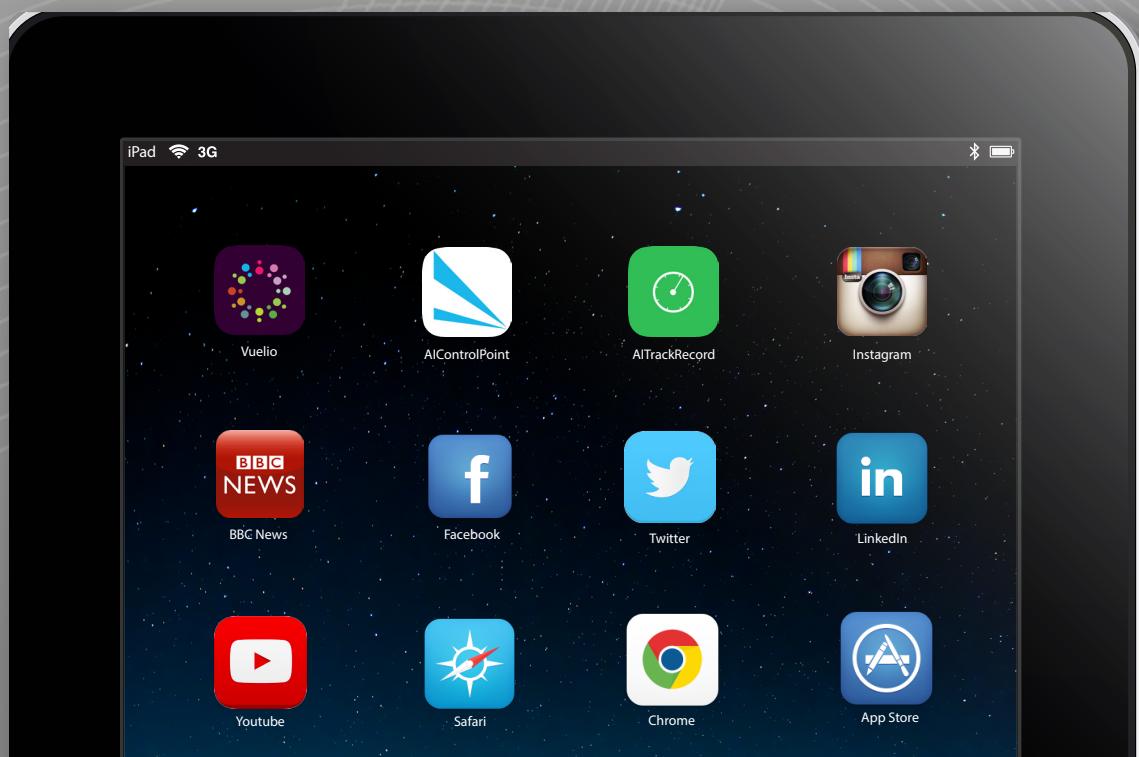
Directors and Advisers	11
Directors' Report	12
Corporate Governance	17
Independent Auditor's Report	19

Investor Proposition

As the global economic climate puts an increasing onus on the value of corporate reputation and risk management, our solutions that ensure crisis, compliance and effective stakeholder management are increasingly relevant.

Operating a recognised portfolio in this space provides a strong opportunity for long-term investor return. The complementary nature of our suite offers excellent opportunities for cross-selling and joint development whilst a long-standing reputation for high quality SaaS solutions, combined with strong customer relationships, provides strong ongoing revenue potential.

We have focused on putting talent in place to capitalise on this opportunity. Industry specialists lead our product divisions underpinned by a delivery team dedicated to best practice in product development, sales, marketing and finance, all supported by an experienced board.



Highlights

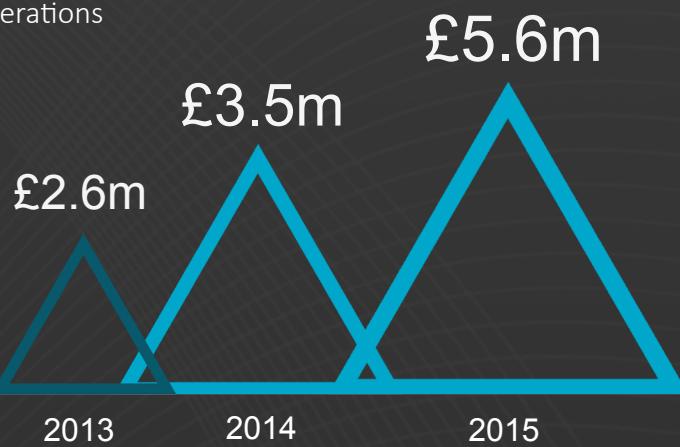
Recurring Revenue

as a % of revenue from continuing operations



Contracted Not Yet Invoiced

from continuing operations



2015 Operational Highlights

- Strategic M&A activity has strengthened the Group's portfolio of core products and services
- Group revenue from continuing operations at year end up by 89% to £8.1m from £4.3m
- Recurring revenue from continuing operations up by 99% to £7.5m from £3.7m
- Strategic shift in focus with increased emphasis on the development of the reputation and risk management divisions of the business

Access Intelligence Overview

Access Intelligence helps organisations effectively manage their reputation and mitigate risk. Our custom-built SaaS platforms offer a range of reputation management applications, incident and crisis management solutions and training and competence management software, through the cloud.

Our business is split into two distinct service elements:

Reputation Management

Vuelio
Reputation Management

Risk Management

AIControlPoint
Incident & Crisis Management
AITrackRecord
Training, Competence & Risk Management

All solutions are provided using Microsoft's highly secure Azure infrastructure giving customers complete confidence and security. Our solutions have been designed in collaboration with some of the largest companies in the world, ensuring they are fundamentally fit for purpose.

Brand Strategy

Over the year, Access Intelligence has focused on consolidating operations to strengthen the brand. We have divested non-core businesses, while making acquisitions to complement the core. Together, this ensures a distinct road map for the future around four key strategic aims:

1. Predictable Revenue

In addition to putting a focus on multi-year deals, we are developing long-term and predictable new business revenue models that optimise earnings growth, promote free cash flow and deliver attractive returns on capital reinvested in the business.

2. High customer retention rates

Our innovative offerings and intuitive solutions deliver value that increases with use over time. This builds loyalty amongst users. We also have solid experience in successfully developing customer management programmes, which are a strong retention tool.

3. Focus on target sectors

While our software can be used across all sectors, we have a strategic focus on regulated industries and the public sector. Such clients place a premium on being able to manage and mitigate operational and reputational risk, which provides strong growth potential.

4. Investing in talent

We believe in recruiting the best people and attract leading industry executives with deep expertise in reputation and risk management. We also search for the brightest graduates, putting potential recruits through a rigorous 48-hour selection process. Our training and reward programmes ensure that talent and leadership thrive at all levels of the organisation.



What is SaaS?

Software as a Service (SaaS) solutions are designed to accelerate adoption and increase value for customers without the cost burdens or risks of implementing costly software or hardware.

SaaS delivers on-demand software functionality via the internet from a single application shared across multiple users. SaaS solutions require only a web browser for access, eliminating the need to install and maintain the software and hardware associated with desktop installed products. Furthermore, they replace the upfront licence fees and lengthy implementation cycles of traditional installed applications with a “pay-as-you-go” subscription based service, usually following an upfront professional services fee to cover installation and configuration.

Benefits for SaaS Vendors

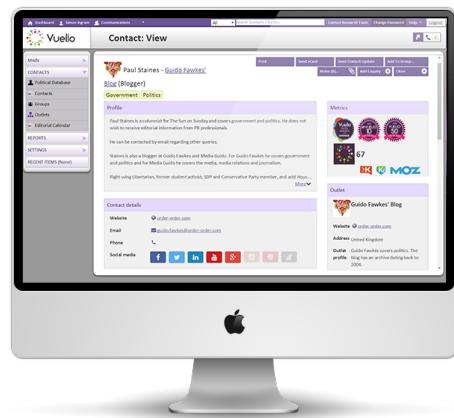
- Predictable Revenue and Cash Flows: Customers pay for software by subscription rather than buying a licence resulting in more certainty about future revenue and cash flow.
- Truly Scalable: Software can be distributed rapidly, via the internet, to many new customers at minimal incremental cost to the company.
- Highly Valued: Due to predictability of revenues and cash flows and ease of scalability.

Benefits for End Users

- Frequent Upgrades: Our SaaS model allows more regular updates at a lower cost than traditional software companies.
- Lower Cost of Ownership: Maintenance costs are lower, no licence costs and the lower distribution costs for the vendor are passed on to the consumer.
- Higher Level of Service from Vendors: Vendors must become more responsive to customer needs or they risk losing subscription revenues.



Our Brands



Vuelio

Customer use: PR, Public Affairs and Reputation Management

Customers include: Nokia, The Metropolitan Police, Vodafone, Freshfields, First Group and FedEx

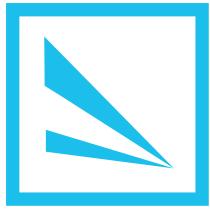
Vuelio operates a comprehensive portfolio of products and services for public relations and public affairs professionals throughout the UK and Europe.

This new flagship brand was created last year following our acquisition of the UK operations of global PR software company, Cision. This deal expanded our customer base in the communications sector six-fold, as well as providing a wealth of operational, technology and business development assets.

Vuelio enables effective stakeholder management. The integrated Vuelio Communications Software suite provides a complete solution for allowing communications and public affairs professionals to identify and engage with high-value media, digital and political influencers and internal communications audiences.

While Vuelio supports communications professionals across all sectors, we have a strong presence in the public sector and other highly regulated industries. This strategy allows us to maximise the core competencies of our portfolio to mitigate risk, whilst also providing upsell opportunities. We also have an active and successful initiative to heighten retention rates through multi-year deals.





AIControlPoint



AIControlPoint

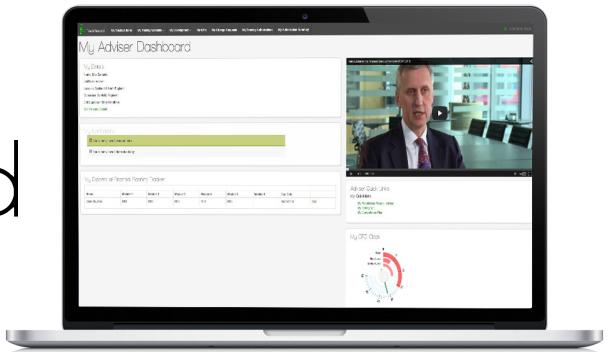
Customer use: Incident & Crisis Management

Customers include: easyJet, British Petroleum, Thomas Cook and Manchester Airport Group.

AIControlPoint is a suite of technologies that help companies in high-risk industries manage incidents and crises and proactively mitigate risk. This ensures crisis response, whether localised or global, is swift, tailored and meets all necessary regulatory requirements. Organisations have used AIControlPoint to manage some of the world's most high-profile incidents in recent years, including the 2015 Tunisia terror attacks. AIControlPoint is already well used in the highly regulated aviation and oil and gas sectors, and is gradually becoming embedded in new markets, such as travel and tourism.



AITrackRecord



AITrackRecord

Customer use: Training, Competence and Employee Performance Management

Customers include: Aviva and St. James's Place.

AITrackRecord is a powerful complete solution for training, competence and compliance management; designed specifically for the highly regulated UK financial services industry. It gives companies full visibility of staff competences, knowledge, performance and compliance through a single central console. The data gives senior managers a previously unseen insight into their reporting line, helping them identify trends and make informed decisions that have a proven impact on the bottom line. By combining information from different parts of a business, AITrackRecord reduces administrative demands, decreases the cost of competence and compliance management and mitigates the significant risk of non-compliance.

Chairman's Statement

I am pleased to announce our results for the year ended 30 November 2015.

2015 has been a pivotal year for Access Intelligence, during which we restructured our portfolio around our reputation and risk management software interests through a series of acquisitions and divestments.

During the year we made a substantial acquisition of the UK operations of Cision UK Ltd and Vocus UK Ltd. This acquisition, combined with our existing reputation business significantly strengthens our position in the reputation management space.

Our strategic focus on reputation and risk management software also prompted the divestment of the software maintenance and hosting business Willow Starcom Ltd and, more recently in 2016, the e-procurement solution provider Due North Ltd.

Outlook

The current global political, economic and business climate continues to reinforce the importance of effective reputation and risk management, and, moreover, the interdependence of the two.

Organisations in both regulated and non-regulated environments recognise the importance of bringing highly flexible, domain-driven software and responsive business analytics to bear on building and safeguarding reputation through both responsible, compliant operations and effective communication. It is therefore essential that we continue to invest in innovative research and development to unify the position of our products in the market and to make our software synonymous with customer success.

We are excited about the acquisition and development of the reputation management business. The media and communications environment has been subject to dramatic change in recent years, and as such our software is increasingly relevant, with customers seeking to influence multiple stakeholders in support of tangible operational success. We expect our strengthened product suite to drive greater market share as we build on the momentum post-acquisition.

I would like to take this opportunity on behalf of the Board to thank you for your continued support of Access Intelligence.



M Jackson
Chairman
8 April 2016



Strategic Report

Results

The 2015 financial year has been a year of significant opportunity for the Group to restructure its operations and focus its commitment on the SaaS business model within the reputation and risk management sectors. This has included the strategic acquisition of a substantial new business in June 2015 to complement the Group's existing reputation software platform and the divestment of a non-core IT support services business in April 2015. Prior to the year-end, the Board also made the decision to divest a further non-core e-procurement business, with the sale being completed in February 2016.

All companies that form part of the Group's continuing operations saw their revenue increase year on year, with the exception of A.I. Talent Limited. Notable revenue increases were delivered by AITrackRecord Limited (34%) and Access Intelligence Media & Communications Limited (19%), with total revenue from existing continuing operations increasing by 11% to £4,768,000 (2014: £4,291,000).

In addition, the acquisition contributed revenue of £3,351,000 for the six month period that it formed part of the Group, resulting in Group revenue from continuing operations increasing by 89% to £8,119,000 (2014: £4,291,000). Reported revenue for the acquisition is not considered by the Board to be fully reflective of the business acquired due to the requirements of acquisition accounting (see Note 8 for further detail on the estimation of the fair value of deferred revenue on acquisition).

Recurring revenue from existing continuing operations increased by 14% to £4,297,000 (2014: £3,756,000), with the acquisition contributing a further £3,189,000. As a result, total recurring revenue from continuing operations increased significantly to £7,486,000 for the year (2014: £3,756,000) and accounted for 92% (2014: 88%) of total revenue.

At 30 November 2015, total deferred revenue from continuing operations stood at £4,643,000 (2014: £1,932,000) reflecting again the impact of the acquisition in the year which added £2,794,000 to deferred revenue at year end. Total Group deferred revenue at year end stood at £5,264,000 (2014: £3,246,000).

Gross margin from existing continuing operations has remained broadly consistent at 77% (2014: 78%). However, overall gross profit from continuing operations has fallen to 60%, primarily as a result of the acquisition which has higher direct costs of sales than the existing continuing operations and short-term transition and migration costs.

The Group has undertaken extensive and ongoing restructuring during the year to reduce costs with the full impact of this not being fully reflected in the 2015 financial performance. In addition, the acquisition had immediate synergistic benefits as the Group consolidated London offices and removed duplicated roles although it is notable that the benefit of these synergies is also not fully reflected in the 2015 financial performance. As a result of the restructuring and refocusing of the business during the year, earnings before interest, tax, depreciation and amortisation (EBITDA) pre-impairment charges from existing continuing operations declined to a loss of £1,359,000 (2014: loss £696,000). The acquisition contributed a further EBITDA loss for the period that it was part of the group of £379,000, resulting in a total EBITDA loss for the year of £1,738,000 (2014: loss £696,000).

Operating loss from continuing operations before impairments was £2,523,000 (2014: loss £565,000), with a loss of £1,686,000 from existing continuing operations and a loss of £837,000 from the acquisition. In arriving at the operating loss the Group has charged £1,922,000 (2014: £2,363,000) for research and development expenditure, £716,000 (2014: £270,000) for depreciation and amortisation, £153,000 (2014: Nil) in acquisition costs, £70,000 (2014: Nil) loss on disposal of fixed assets and £278,000 (2014: Nil) in restructuring costs. Development costs relating to the risk platform moved to normalised operational levels mid-year.

2016 will see continued restructuring of the business and investment across the Company's brands with the full benefits expected to come through towards the end of the current financial year and into 2017.

Loss per share

The basic loss per share from continuing operations was 1.55p (2014: loss 0.68p). Basic earnings per share from discontinued operations was 0.27p (2014: 0.22p).

Cash

Cash at the year end stood at £1,523,000 (2014: £1,144,000) whilst net debt increased to £2,593,000 (2014: £157,000) during the year, primarily as a result of new loan notes issued to finance the strategic acquisition.

Key Performance Indicators

On a monthly basis management accounts are prepared which provide performance indicators covering revenue, gross margins, EBITDA, result before tax, result after tax, cash balances and recurring revenue. The key performance indicators for the year are:

£'000	2015	2014
Continuing Operations		
Revenue	8,119	4,291
Gross margin (%)	60%	78%
EBITDA - loss	(1,738)	(696)
Loss before taxation	(4,687)	(1,477)
Loss after taxation	(3,924)	(1,598)
Cash balances	1,523	1,144
Recurring revenue	7,486	3,463

These performance indicators are measured against both an approved budget and the previous year's actual results. Further analysis of the Group's performance is provided earlier in this Strategic Report.

Each month the Board assesses the performance of the Group based on both financial and non-financial key performance indicators. These are used in conjunction with the controls described in the corporate governance statement and relate to a wide variety of aspects of the business, including: new business and renewal sales performance; marketing, development and research activity; year to date financial performance, profitability forecasting and cash flow forecasting. Non-financial key performance indicators include staff retention rates and staff utilisation rates; we also monitor energy consumption as part of our ongoing commitment to reduce our carbon footprint.

Dividend

As a result of the significant investment the Company has made in the strategic product innovation and sales development, the directors do not propose to pay a dividend for 2015.

Principal business risks and uncertainties

The developing nature of the business dictates that the Board understands the market in which it competes and the strategy that it is implementing. The Statement of Corporate Governance notes the objectives and mechanisms of internal control. Monthly Board meetings are held, where strategy is discussed and decisions taken at Group level and formal quarterly meetings are held at subsidiary level, supplemented by more regular operational meetings. The Board constantly assesses risks and is of the belief that internal control, risk management and stewardship are integral to the proper management of the business.

Financial instruments

The Group's operations are subject to a variety of financial risks, most notably the effect of credit risks. Liquidity risks are set out in note 18 to the consolidated financial statements. At the present time the Group has no bank borrowings or overdrafts, but has a total of £4,116,000 of loan notes in issue. The Group holds in excess of £1,523,000 of bank deposits. The Group does not enter into derivative contracts other than the forward currency contracts detailed below.

11% (2014: 8%) of the Group's revenue is invoiced in a currency other than sterling. Accordingly, foreign exchange risk is not considered a significant risk. To date the magnitude of euro-based sales has been such that we have not hedged the currency exposure. In relation to US dollar denominated sales, due to the insignificance of dollar sales and unpredictability of such collections from debtors we do not hedge and simply hold to pay suppliers invoicing in dollars or convert if needed into sterling at spot. At 30 November 2015 there were no open exchange contracts.

The most significant financial risk to which the Group is exposed is that of the credit worthiness of our client base. Around 11% (2014: 10%) of the Group's revenue from continuing operations is contracted with the public sector where the directors have judged the credit risk to be minimal.

The remaining sales are with the private sector where we have experienced a small incidence of bad debts. We have not considered it necessary to take out credit insurance for the following reasons:

- most invoices are not of a high value;
- no significant concentration of invoices are with any one customer; and
- in many cases we are able to switch off the service the moment a debt becomes due.

The Group holds a number of deposits with UK tax payer-owned banks or well known high street banks. In recent years we have become increasingly aware that even financial institutions such as banks are not immune to financial risk. That said, the directors review the financial position of their deposit holders on a regular basis and at this time are satisfied with their credit worthiness.

Information about the use of financial instruments by the Group is given in note 21 to the financial statements. The Group has also previously issued convertible loan notes as disclosed in the financial statements.

Software as a Service (SaaS)

PR, Public Affairs and Reputation Management

The landscape for Vuelio radically changed in 2015 when we acquired the UK assets of communications software company Cision, prompting a rebrand and refocus. The deal also immediately increased our customer base in this space from 300 to more than 2,000. Where we previously served primarily the public sector and FTSE 100 companies, we now have customers of all sizes in numerous sectors, in particular, marketing, PR and digital agencies.

We have reorganised our sales and marketing operations to support a dual focus on growth and strategic services. The addition of trade and assets of Cision UK Ltd and Vocus UK Ltd brings immediate scale and bolsters our growth opportunity. To underpin this, we have built a talented team to continue delivering solutions relevant to this evolving market. This team will target high-value accounts, particularly through up selling and cross selling, in key public sector and high-regulation sectors.

Access Intelligence has rapidly developed Vuelio's communications management software platform to address the needs of this expanded market. These changes are also aimed at supporting a swift migration of clients from Cision and Vocus software, which is currently underway, providing a platform for profitable growth through further development.

Incident & Crisis Management

AIControlPoint saw a 100% client retention in 2015 but limited revenue growth due to the downturn in the oil and gas market. We have also helped ensure future growth by diversifying our target markets and focusing on several new industries. Among our wins were new clients in the transport sector, including the Manchester Airport Group, as well as building a pipeline in the aviation, travel and local government space.

Training, Competence and Employee Performance Management

Tightening FCA regulation has brought a focus on senior managers and individual accountability in the financial services sector. This provided us with an opportunity to augment AITrackRecord in 2015, empowering customers in the face of these changes. Our improved Training and Competence system unifies competence, performance, accountability and compliance tracking and, crucially, provides evidence of adherence to the new regime. The updated platform centralises all pertinent information, even digitising legacy paper-based processes. This simplifies compliance and significantly reduces cost.

Leading FTSE 100 wealth management firm St. James's Place was an early adopter of the new platform. Additional customers are targeted for switchover throughout 2016.

Strategy and Market

The M&A activity that the Group has undergone over the past 12 months has created a seismic shift in focus towards Reputation Management. We now have an exceptional portfolio of products and services for stakeholder engagement and reputation management throughout the UK and Europe. As customers seek to drive a unified, consistent engagement strategy across multiple stakeholders, they require a comprehensive software portfolio integrated across their communications teams. Highly regulated industries continue to champion the embedding of best practices in good corporate governance, risk management and effective compliance ensuring that our product suite is well positioned to gain continued traction in both reputation and risk management.

SaaS based solutions continue to provide companies with a scalable, resilient and value-driven alternative to the costly maintenance of in-house on premise solutions. Access Intelligence continues to capitalise on the wider adoption of SaaS solutions and services to provide tangible alternatives to customers, as well as long term revenue visibility and stability for investors.

2016 represents a challenging year of customer migrations and further operational restructuring to ensure the optimal platform for growth. Our focus over the coming year will be maximising the opportunities secured from our recent acquisition and embedding our market share in an ever-shifting competitive landscape. As the sole provider of a multi-faceted stakeholder engagement platform we are well positioned to offer a truly diversified offering.

Disposal of Willow Starcom

Following the Group's decision to focus on reputation and risk management SaaS based solutions, Access Intelligence divested Willow Starcom Limited on 21 April 2015. Willow Starcom delivered infrastructure support and cloud based IT services but was considered non-core to the Group as it looked to scale its SaaS offering. The net cash inflow received for the company amounted to £1,141,000 and resulted in a profit on disposal of the company of £900,000.

Disposal of Due North Limited

In line with Access Intelligence's strategy to focus on SaaS solutions in reputation and risk management, on 3 February 2016, the Group disposed of Due North Limited for a cash consideration of £4,500,000. The decision to divest Due North was a result of the management team's commitment to dispose of non-core businesses and provide the Group with greater financial flexibility and value for our shareholders.

Directors and Staff

2015 has demonstrated that our core belief of building a Group based on the expertise, experience and integrity of our industry-leading team is delivering significant value. I would like to thank all our staff for their hard work and commitment, which has enabled us to recognise considerable progress during 2015 and we expect to benefit from this in the coming years. As a Group we have delivered growth, and I look forward to our continued operational successes in 2016.

By order of the board



J Arnold
Director
Approved by the directors on 8th April 2016

Directors and Advisers

Directors:

Executive directors:

J Arnold (Chief Executive Officer)
K Dhoot (Chief Financial Officer) (Resigned 12 June 2015)

Non-executive directors:

M Jackson (Chairman)
D Lowe
C Pilling (Appointed 24 August 2015)
J Hamer (Resigned 1 October 2015)
H Bang (Resigned 1 October 2015)

Company Secretary:

M Greensmith (appointed 1 July 2015)

Bankers:

Bank of Scotland
Aldgate House
1-4 Market Place
Hull
HU1 1RA

Registered Office:

Longbow House
14-20 Chiswell Street, London
EC1Y 4TW

Legal Advisers:

Fieldfisher LLP
Riverbank House
2 Swan Lane
London
EC4R 3TT

Company Registration Number:

04799195

Auditor:

Mazars LLP
Chartered Accountants & Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Registrars:

Neville Registrars Limited
Neville House
18 Laurel Lane
Halesowen
West Midlands
B63 3DA

Directors' Report

The directors present their annual report and the consolidated financial statements of the Group for the year ended 30 November 2015.

Principal activity

Access Intelligence is a Software and Computer Services group of companies providing business critical compliance and legislative driven software solutions and services to both public and private sectors on a recurring revenue basis. Since the flotation on AIM in November 2003, the Group has made six acquisitions focused in the areas of compliance software and data backup and recovery. The Group has also sold 4 subsidiaries prior to the disposal of Due North (refer to events after the balance sheet date below) and had 4 dormant companies dissolved.

Review of business and future outlook

A review of the Group's activities during the year and future outlook is set out in the Strategic Report and Chairman's Statement on pages 6 to 10.

Results

The consolidated trading results for the year and the year-end financial position are shown in the financial statements on pages 20 to 24. The results for the year and future prospects are reviewed in the Strategic Report and Chairman's Statement on pages 6 to 10.

Directors' interests

The directors who have served during the year and details of their interests, including family interests, in the Company's ordinary 0.5p shares at 30 November 2015 are disclosed below:

The high and low price of shares during the year were 5.50p and 2.62p respectively.

	30-Nov-15 Beneficial No.	30-Nov-15 Options No.	30-Nov-14 Beneficial No.	30-Nov-14 Options No.
M Jackson	20,865,858	7,808,103	24,865,858	7,808,103
D Lowe	4,597,475	1,841,899	4,597,475	1,841,897
J Arnold	5,000,000	3,000,000	5,000,000	3,000,000

Substantial shareholdings

Save for the directors' interests disclosed above together with the following shareholders, the directors are not aware of any other shareholdings representing 3% or more of the issued share capital of the Company at the year end.

Investor	No. of shares	% holding	Nature of holding
Elderstreet VCT plc	39,675,690	14.3	Indirect
Kestrel Partners LLP	30,902,700	11.1	Indirect
Unicorn AIM VCT plc	28,066,867	10.1	Indirect
Octopus Asset Management Ltd	14,820,000	5.3	Indirect
Hawk Investment Holdings Ltd and Hawk Pension Ltd	11,666,667	4.2	Indirect
Hargreave Hale	9,821,017	3.5	Indirect
David Alderson	9,342,705	3.4	Direct
Ray Jackson	8,917,682	3.2	Direct

In addition to the above the following substantial shareholders are also holders of Loan Instruments.

	Brought forward		Issued during the year		Carried forward	
	All convertible	Convertible loan notes	Non-convertible loan notes	Convertible loan notes	Non-convertible loan notes	
Elderstreet VCT plc	500,000	200,000	300,000	700,000	300,000	
Unicorn AIM VCT plc	750,000	-	300,000	750,000	300,000	
Kestrel Partners LLP	-	400,000	900,000	400,000	900,000	
Octopus Asset Management Ltd.	-	200,000	-	200,000	-	
	1,250,000	800,000	1,500,000	2,050,000	1,500,000	

In 2014, the Company agreed terms with Elderstreet VCT and Unicorn AIM VCT plc to extend the loans issued in June 2009 such that they mature on 31 December 2015, with enhanced interest at 8% during this extended period with conversion rights unchanged at 4p per share.

In January 2016 the Company agreed the same terms as those agreed in the prior year with both note holders such that the notes are redeemable at par or convertible to ordinary shares at 4p per ordinary share on or before maturing on 31 December 2016 and carry a coupon rate of 8% per annum, payable semi-annually until such a time as they are repaid or converted in accordance with their terms. These notes are classified as non-current at the year end.

In December 2014 the company issued a further £1,100,000 of convertible loan notes of which £800,000 were issued to substantial shareholders as per the table above. These loan notes are redeemable at par or convertible to ordinary shares at 3p per ordinary share on or before maturing on 3 December 2019 and carry a coupon rate of 8% per annum payable semi-annually until such time as they are repaid or converted.

On 22 June 2015 the company issued £1,818,000 non-convertible loan notes of which £1,500,000 were issued to substantial shareholders as per the table above. The loan notes which carry an interest rate of 10% for one year rising to 12% thereafter. Interest is payable quarterly in arrears. The loans notes are fully repayable in five years.

Elderstreet VCT plc is an AIM listed venture capital trust of which M Jackson is a non-executive director and he is also a director of Elderstreet Investments Ltd, the manager to Elderstreet VCT plc.

Dividends

Due to the significant and ongoing investment in developing our products, the directors do not propose a dividend in respect of the year ended 30 November 2015.

Research & development and other technical expenditure

All subsidiaries are encouraged to invest in the development of their products continuously, though 2012 heralded the start of a significant investment phase, commencing with the creation of a centralised development centre based in York, which underpins cutting edge development methodologies across the Group. Throughout 2015 we have continued to invest in developing our products. The Group engaged an average of 72 (2014: 71) technical staff who support both the existing product offering as well as developing it. In 2015, £3,457,000 (2014: £3,940,000) was spent across the Group on research and development and other technical expenditure. Of this £1,526,000 (2014: £1,577,000) was capitalised and the balance was expensed through the consolidated statement of comprehensive income.

Further detail of research & development costs incurred by Group companies is set out in the Strategic Report on pages 8 and 9.

Our policy is to write development expenditure off to the consolidated statement of comprehensive income as incurred unless it relates to a new product that is yet to be launched or relates to fundamental innovations that meet accounting definitions in that they are technically feasible, commercially viable and resources exist to complete the development projects. In such cases the expenditure is capitalised and written-off over five years beginning with the first sale. This reflects the estimated useful life taking into account the more flexible, structured code using latest modular design techniques available.

Employee relations

The Group supports the employment of disabled people, wherever possible, both when recruiting and by retention of those who become disabled during their employment.

Appropriate steps are taken to inform and consult employees regarding matters affecting them and the Group.

The Group's policy regarding health and safety is to ensure that, as far as is practical, there is a working environment which will minimise the risk to the health and safety of its employees and those persons who are authorised to be on its premises.

The Group encourages staff progression and is introducing more formal training and development of key staff across the Group. Individual job related training is provided if needed and it is incumbent upon all managers to find time to mentor and develop their own staff.

The Group's remuneration policies are driven locally at subsidiary level to reflect circumstances prevailing in their local labour markets. Our sales teams earn sales commission on top of a competitive basic salary based on their individual targets. Incentives for all staff are encouraged and the managing directors of each subsidiary have an annual profit sharing contract based upon the profitability of their subsidiary. Directors' remuneration is determined by the remuneration committee, details of which are included in note 6.

Financial risk management and exposure to financial risk

The directors' management and policies in relation to price risk, credit risk, liquidity risk and cash flow risk is explained in detail in the Strategic Report.

Environment

The Group's policy with regard to the environment is to ensure that we understand and effectively manage the actual and potential environmental impact of our activities. Our operations are conducted such that we comply with all legal requirements regarding the environment in all areas where we carry out our business. During the period covered by this report the Group has not incurred any fines or penalties or been investigated for any breach of environmental regulations.

Social responsibility

The Group has made certain small donations during the year supporting local charities, individually each donation and in aggregate being less than £2,000. We encourage our staff to raise money for charities by supporting their endeavours both as a company or the directors individually.

Going concern

The Strategic Report and opening pages to the annual report discuss Access Intelligence's business activities and headline results, together with our financial statements and notes which detail the results for the year, net current liability position, cash flows for the year ended 30 November 2015 and the extension of the maturity of the convertible loan notes. The Board has further considered 12 month cash flow forecasts from the date of signing the accounts and consider the assumptions used therein to be reasonable and reflective of the long-term 'software as a service' contracts and contracted recurring revenue. As set out in the Subsequent Events note 30 (and below), the Group has disposed of Due North Ltd for a total consideration of £4,500,000. From this the Board has concluded that they have a reasonable expectation that the Company and the Group have adequate resources to meet their liabilities as they fall due and 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.

Events after the balance sheet date

On 3 February 2016 Access Intelligence Plc disposed of 100% of the issued share capital of Due North Limited, being the disposal group held for sale in note 7, for a consideration totalling £4,500,000.

In January 2016, the Company agreed terms to extend the loans issued in June 2009 such that they mature on 31 December 2016, with interest at 8% during this extended period with conversion rights unchanged at 4p per share.

Share capital

Details of the Company's share capital are set out in note 21 to the financial statements.

Share option plan

The Company administers one approved option scheme called the "Access Intelligence plc Management Incentive Scheme". The scheme was adopted at the AGM held on 22 April 2009 and is open to any eligible employee selected at the discretion of the Board. The scheme period will extend for 10 years from the adoption date. The scheme rules are available at the Company's registered office. Details of the movement in options during the year are in note 25. In total no options were granted in the year, 1,950,000 were exercised and 2,527,605 were forfeited.

Statement of directors' responsibilities

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

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under AIM rules the directors are required to prepare Group financial statements in accordance with IFRS as adopted by the EU.

The Group financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and the performance of the Group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

The parent company financial statements are required by law to give a true and fair view of the state of affairs of the parent company.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the EU;
- for the parent company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent company will continue in business; and
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions, on the entity's financial position and financial performance.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the parent company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for systems of internal control, 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditor

In so far as the directors are aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Mazars LLP has acted as auditor throughout the period and, in accordance with section 489 of the Companies Act 2006 a resolution to reappoint Mazars LLP will be put to the members at the forthcoming annual general meeting.

By order of the Board



M Jackson

Director

Approved by the directors on 8 April 2016

Corporate Governance

Application of the principles of good governance

As an AIM listed company, the Group is not required by the Financial Conduct Authority Listing Rules to follow the provisions of the UK Corporate Governance Code. Nevertheless, the Group is committed to applying the principles of corporate governance commensurate with its size.

The Board

At 30 November 2015, the Board consisted of 3 non-executive directors and 1 executive director being the Chief Executive Officer. These Board members retain responsibility for the formulation of corporate strategy, approval of acquisitions, divestments and major capital expenditure and treasury policy. The appointment of new directors is a matter reserved for the Board as a whole rather than for a separate nomination committee.

The executive director is responsible for operational matters and executing agreed strategic decisions.

The Board meets monthly and has a schedule of matters specifically referred to it for decision. All directors have access to advice from the company secretary and training is available for directors as necessary.

Each member of the Board comes up for re-election by the shareholders at annual general meetings every three years by rotation.

The non-executive directors are not involved in the day-to-day running of the business. Shareholdings of all directors can be found in the directors' report.

Internal control

The directors have overall responsibility for ensuring that the Group maintains a system of internal control to provide them with reasonable assurance regarding effective and efficient operations, internal financial control and compliance with laws and regulations.

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Group's strategic objectives. However, there are inherent limitations in any system of internal control and accordingly even the most effective system can only provide reasonable and not absolute assurance. The Board has reviewed the operation and effectiveness of the system of internal control in operation during the period.

The Board is also responsible for assessing and minimising all business risks, supported by group personnel able to provide specific assistance in matters relating to regulatory compliance, health and safety, environment, quality systems and insurance cover for property and liability risks.

Monthly accounts, with commentary on current year performance compared with planned performance, together with analysis and working capital information, are prepared in accordance with group accounting policies and principles. They are consolidated and reviewed by the Board in order to monitor overall performance and trigger appropriate management intervention where applicable.

The Board monitors the funding requirements and banking facilities provided to the Group in addition to the management of investment and treasury procedures. Capital and significant investment expenditure is approved against performance criteria.

The Board has considered the need for an internal audit function but has concluded that the size of the Group does not justify the expense at present. The need for an internal audit function will continue to be reviewed periodically.

Audit committee

The audit committee is appointed by the Board and must comprise a minimum of two members, including one non-executive director. D Lowe chairs the audit committee with M Jackson and J Arnold as the other members. The committee met on 2 occasions in 2015 (2014: 2).

The audit committee may examine any matters relating to the financial affairs of the Group. This includes reviews of the annual accounts and announcements, internal control procedures, accounting policies, compliance with accounting standards, the appointment of external auditors and other such related functions as the Board may require.

Remuneration committee

The remuneration committee consists of J Arnold, D Lowe and C Pilling and is chaired by C Pilling. The committee's aim is to ensure that the executive directors are rewarded for their contribution to the Group and are motivated to enhance the return to shareholders. The remuneration committee is responsible for reviewing the performance of the directors and setting their remuneration, and meets on an "as required" basis. The remuneration committee has regard to rates of pay for similar positions in comparable companies as well as internal factors such as performance. The objective of the Company's remuneration policy is to ensure that members of the executive management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.

The directors are eligible for share options under the Company's share option scheme. The exercise of options granted under this share option scheme is not dependent on performance criteria.

Full details of directors' remuneration are given in note 9 to the financial statements.

Nominations committee

The Group has not appointed a nominations committee. The Board has concluded that given the size of the Group this function can be effectively carried out by the whole Board.

Independent Auditor's Report to the Members of Access Intelligence Plc

We have audited the financial statements of Access Intelligence Plc for the year ended 30 November 2015 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flow, the Company Balance Sheet and the related notes. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 November 2015 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of Access Intelligence Plc (Continued)

Matters on which we are required to report by exception

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

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

Richard Metcalfe (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Consolidated Statement of Comprehensive Income

Year ended 30 November 2015

	Note	Continuing Operations 2015 £'000	Discontinued Operations 2015 £'000	Continuing Operations 2014 £'000	Discontinued Operations 2014 £'000
Revenue	3	8,119	2,737	4,291	4,255
Cost of sales		(3,277)	(881)	(949)	(1,419)
Gross profit		4,842	1,856	3,342	2,836
Administrative expenses		(7,339)	(2,046)	(3,871)	(2,292)
Share-based payment	25	(26)	-	(36)	-
Operating (loss)/profit before impairment		(2,523)	(190)	(565)	544
Profit on disposal of subsidiary undertaking	6	-	900	-	-
Impairment of intangibles	15	(1,899)	-	(798)	-
Operating (loss)/profit	5	(4,422)	710	(1,363)	544
Financial income	10	1	-	1	-
Financial expense	11	(266)	-	(115)	-
(Loss)/profit before taxation		(4,687)	710	(1,477)	544
Taxation credit/(charge)	12	763	(29)	(121)	(28)
(Loss)/profit for the year		(3,924)	681	(1,598)	516
Profit for the year from discontinued operations	6	681		516	
Loss for the year		(3,243)		(1,082)	
Other comprehensive income		-		-	
Total comprehensive income for the period attributable to the owners of the parent company		(3,243)		(1,082)	
Earnings per share					
Basic (loss)/earnings per share	14	(1.55)p	0.27p	(0.68)p	0.22p
Diluted (loss)/earnings per share	14	(1.55)p	0.25p	(0.68)p	0.22p

The notes on pages 26 to 55 form part of these financial statements.

Consolidated Statement of Financial Position

At 30 November 2015

	Note	2015 £'000	2014 £'000
Non-current assets			
Property, plant and equipment	16	273	523
Intangible assets	15	7,423	8,406
Deferred tax assets	23	865	419
Total non-current assets		8,561	9,348
Current assets			
Inventories	17	-	142
Trade and other receivables	18	3,628	2,613
Current tax receivables		101	237
Cash and cash equivalents	26	1,523	1,144
Assets classified as held for sale	7	3,869	-
Total current assets		9,121	4,136
Total assets		17,682	13,484
Current liabilities			
Trade and other payables	20	1,225	1,526
Accruals and deferred income		6,398	4,050
Interest bearing loans and borrowings	19	1,277	-
Liabilities classified as held for sale	7	1,455	-
Total current liabilities		10,355	5,576
Non-current liabilities			
Trade and other payables	20	391	60
Interest bearing loans and borrowings	19	2,839	1,301
Deferred tax liabilities	23	336	956
Total non-current liabilities		3,566	2,317
Total liabilities		13,921	7,893
Net assets		3,761	5,591
Equity			
Share capital	24	1,535	1,324
Treasury shares		(148)	(148)
Share premium account		1,271	224
Capital redemption reserve		191	191
Share option reserve		364	338
Equity reserve		255	126
Retained earnings		293	3,536
Total equity attributable to the equity holders of the parent company		3,761	5,591

The consolidated financial statements were approved and authorised for issue by the Board of directors on 8 April 2016 and signed on its behalf by:



M Jackson

Chairman

The notes on pages 26 to 55 form part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended 30 November 2015

	Share capital £'000	Treasury shares £'000	Share premium account £'000	Capital redemption reserve £'000	Share option reserve £'000	Equity reserve £'000	Retained earnings £'000	Total £'000
Group								
At 1 December 2013	1,324	(148)	224	191	331	126	4,618	6,666
Total comprehensive loss for the year	-	-	-	-	-	-	(1,082)	(1,082)
<i>Transactions with owners</i>								
Share-based payments - current year	-	-	-	-	36	-	-	36
Tax reversal relating to share-based payment	-	-	-	-	(29)	-	-	(29)
At 30 November 2014	1,324	(148)	224	191	338	126	3,536	5,591
At 1 December 2014	1,324	(148)	224	191	338	126	3,536	5,591
Total comprehensive loss for the year	-	-	-	-	-	-	(3,243)	(3,243)
Equity component of convertible loan notes net of deferred tax	-	-	-	-	-	129	-	129
<i>Transactions with owners</i>								
Issue of share capital	211	-	1,047	-	-	-	-	1,258
Share-based payments - current year	-	-	-	-	26	-	-	26
Tax reversal relating to share-based payment	-	-	-	-	-	-	-	-
At 30 November 2015	1,535	(148)	1,271	191	364	255	293	3,761

Share capital and share premium account

When shares are issued, the nominal value of the shares is credited to the share capital reserve. Any premium paid above the nominal value is taken to the share premium account. Access Intelligence plc shares have a nominal value of 0.5p per share. Directly attributable transaction costs associated with the issue of equity investments are accounted for as a reduction from the share premium account.

Treasury shares

The returned shares are now held in treasury and attract no voting rights. The return of shares has been accounted for in accordance with IAS 32 'Financial instruments: Presentation' such that the instruments have been deducted from equity with no gain or loss recognised in profit or loss.

Share option reserve

This reserve arises as a result of amounts being recognised in the income statement relating to share-based payment transactions granted under the Group's share option scheme. The reserve will fall as share options vest and are exercised over the life of the options.

Capital redemption reserve

This reserve arises as a result of keeping with the doctrine of capital maintenance when the Company purchases and redeems its own shares. The amounts transferred into/out from this reserve from a purchase/redemption is equal to the amount by which share capital has been reduced/increased, when the purchase/redemption has been financed wholly out of distributable profits, and is the amount by which the nominal value exceeds the proceeds of any new issue of share capital, when the purchase/redemption has been financed partly out of distributable profits.

Equity reserve

The equity reserve arises as a result of the equity component that has been recognised on the convertible loan notes that have been issued by the Group (see the 'Interest bearing loans and borrowings' note). The reserve is determined by deducting the amount of the liability component from the fair value of the convertible loan notes as a whole, net of income tax effects and the relative proportion of the directly attributable transaction costs associated with the issue of the compound instruments.

Retained earnings

The retained earnings reserve records the accumulated profits and losses of the Group since inception of the business. Where subsidiary undertakings are acquired, only profits and losses arising from the date of acquisition are included.

Consolidated Statement of Cash Flow

Year ended 30 November 2015

	Note	2015 £'000	2014 £'000
Loss for the year		(3,243)	(1,082)
Adjusted for:			
Taxation	12	(734)	149
Depreciation and amortisation	15,16	948	409
Impairment of intangible assets	15	1,899	798
Share option charge	25	26	36
Financial income	10	(1)	(1)
Financial expense	11	266	115
Loss on disposal of property, plant and equipment	16	70	2
Profit on sale of Willow Starcom Ltd	6	(900)	-
Operating cash (outflow)/inflow before changes in working capital		(1,669)	426
(Increase) in trade and other receivables		(496)	(590)
Decrease in inventories		8	26
Increase in trade and other payables		344	1,192
Net cash (outflow)/inflow from operations before taxation		(1,813)	1,054
Taxation received		237	356
Net cash (outflow)/inflow from operations		(1,576)	1,410
Cash flows from investing			
Interest received	10	1	1
Acquisition of property, plant and equipment and software licences	15,16	(66)	(140)
Cost of software development	15	(1,541)	(1,573)
Acquisition of trade and assets	8	(1,340)	-
Disposal of Willow Starcom	6	1,487	-
less: cash and cash equivalents disposed of	6	(346)	-
Move to held for sale of Due North	7	(207)	-
Net cash outflow from investing		(2,012)	(1,712)
Cash flows from financing activities			
Interest paid		(192)	(75)
Issue of shares and share option exercise proceeds		1,200	-
Exercise of share options	25	59	-
Issue of loan notes	19	2,900	-
Net cash inflow/(outflow) from financing		3,967	(75)
Net increase/(decrease) in cash and cash equivalents	26	379	(377)
Opening cash and cash equivalents	26	1,144	1,521
Closing cash and cash equivalents	26	1,523	1,144

The notes on pages 26 to 55 form part of these financial statements.

Notes to the Consolidated Statements

1. General information

Access Intelligence Plc ('the Company') and its subsidiaries (together the 'Group') provide critical governance, risk and compliance software and computer services to regulated businesses in both the public and private sectors.

The Company is a public limited company under the Companies Act 2006 and is listed on the Alternative Investment Market and is incorporated and domiciled in the UK. The address of the Company's registered office is provided in the Officers and Professional Advisers page of this Annual Report.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS's) as adopted by the European Union, and with those parts of the Companies Acts applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention and on a going concern basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Going concern

The Strategic Report and opening pages to the annual report discuss Access Intelligence's business activities and headline results, together with our financial statements and notes which detail the results for the year, net current liability position, cash flows for the year ended 30 November 2015 and the extension of the maturity of the convertible loan notes. The Board has further considered 12 month cash flow forecasts from the date of signing the accounts and consider the assumptions used therein to be reasonable and reflective of the long-term 'software as a service' contracts and contracted recurring revenue. As set out in the Subsequent Events note 30 (and below), the Group has disposed of Due North Ltd for a total consideration of £4,500,000. From this the Board has concluded that they have a reasonable expectation that the Company and the Group have adequate resources to meet their liabilities as they fall due and 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.

Significant judgements

In addition to going concern, the areas involving a high degree of judgement or complexity relate to:

- the recognition of deferred tax assets in relation to losses (refer to note 23);
- the recoverability of trade receivables currently provided for (refer to note 18); and
- the fair value estimation of intangible assets acquired (refer to note 8).

Significant estimates

Further to the significant judgements above the areas where key assumptions and estimates have been made by management relate to:

- the impairment testing of goodwill and capitalised development costs and other non-current assets, (refer to note 15);
- the charge for share-based payment transactions which include assumptions on future share prices movements, expected future dividends, and risk-free discount rates (refer to note 25); and
- the fair value estimation of intangible assets acquired (refer to note 8).

New standards and interpretations

The following standards, amendments and interpretations to published standards, have been adopted during the year.

IFRS 10 ‘Consolidated financial statements’ Effective 1 January 2013, with an EU effective date of 1 January 2014
This standard replaces the principle of control and the consolidation requirements in IAS 27 ‘Consolidated and Separate Financial Statements’, SIC-12 ‘Consolidation – Special Purpose Entities’ and SIC-33 ‘Consolidation and Equity Method – Potential Voting Rights and Allocation of Ownership Interests’.

IFRS 11 ‘Joint Arrangements’ Effective 1 January 2013, with an EU effective date of 1 January 2014

IFRS 12 ‘Disclosure of Interests in Other Entities’ Effective 1 January 2013, with an EU effective date of 1 January 2014.

This standard sets out new and comprehensive disclosure requirements for interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

IAS 27 ‘Separate Financial Statements’ and IAS 28 ‘Investments in Associates and Joint Ventures’ Effective 1 January 2013, with an EU effective date of 1 January 2014

Following the issue of IFRS 10 ‘Consolidated Financial Statements’, IFRS 11 ‘Joint Arrangements’ and IFRS 12 ‘Disclosure of Interests in Other Entities’, consequential changes have been made to these standards.

IAS 32 (amendment) ‘Financial Instruments: Presentation’ Effective 1 January 2014

Amendment relates to the offsetting of financial assets and liabilities.

IAS 36 (amendment) ‘Impairment of Assets’ Effective 1 January 2014

Amendment relates to the recoverable amount disclosures for non-financial assets.

IAS 39 (amendment) ‘Financial Instruments: Recognition and Measurement’ Effective 1 January 2014

Amendment relates to the novation of derivatives and continuation of hedge accounting.

IFRIC 21 ‘Levies’ Effective 1 January 2014 with an EU effective date of 17 June 2014

This interpretation addresses the accounting for a liability to pay a levy.

There has been no impact of adopting the above standards, amendments and interpretations.

New standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company’s financial statements are listed below. The listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company does not intend to adopt those standards until they become effective.

IFRS 15 ‘Revenue from contracts with customers’: Original issue; Issued – May 2014; Effective – Annual periods beginning on or after 1 January 2018

IFRS 9 ‘Financial Instruments’: Original issue; Issued – November 2009; Effective – Annual periods beginning on or after 1 January 2018

IFRS 16 ‘Leases’: Original issue; Issued – January 2016; Effective – Annual periods beginning on or after 1 January 2019

IAS 1 ‘Presentation of Financial Information’: Amendment relates to the disclosure initiative; Effective – Annual periods beginning on or after 1 January 2016

IAS16 ‘Property, plant and equipment’ and IAS 38 ‘Intangible Assets’: Amendments regarding the clarification of acceptable methods of depreciation and amortisation; Amended May 2014; Effective for Annual periods beginning on or after 1 January 2016

IAS 27 ‘Separate Financial Statements’ (as amended in 2011): Original issue; Issued – May 2011; Effective – Annual periods beginning on or after 1 January 2016

IFRS 10 ‘Consolidation Financial Statements’, IFRS 12 ‘Disclosure of Interests in Other Entities’ and IAS 28 ‘Investment in Associates and Joint Ventures’: Amendments relate to investment entities, applying the consolidation exemption; Effective – Annual periods beginning on or after 1 January 2016

IAS 12 'Income taxes': Amendment relating to the recognition of deferred tax for unrealised losses; Amended January 2016; Effective – Annual periods beginning on or after 1 January 2017

IAS 7 'Statement of cash flows': Amendment relating to disclosure initiatives; Amended January 2016; Effective – Annual periods beginning on or after 1 January 2017

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements in the period of initial application other than disclosure except for IFRS 15 and IFRS 16 where the Group is still assessing the impact..

Standards not expected to have a significant impact on the group or are not applicable

The following standards are not expected to have a significant impact on the group or are not applicable:

IFRS 11 'Joint Arrangements': Amendment relating to the accounting for acquisition of interests in joint operations; Effective – Annual periods beginning on or after 1 January 2016

IFRS 14 'Regularity Deferral Accounts': Original issue; Issued – January 2014; Effective – Annual periods beginning on or after 1 January 2016

IAS 19 'Employee Benefits': Amendment relating to the accounting for contributions from employees or third parties to defined benefit plans; Effective – Annual periods beginning on or after 1 February 2015

The directors do not consider the adoption of the amendments resulting from the Annual Improvements 2010 - 2012 cycle will result in a material impact on the financial information of the group and company. These amendments to IFRS2, IFRS3, IFRS8 IAS 16, IAS24 and IAS38 are effective for accounting periods beginning on or after 1 February 2015.

The directors do not consider the adoption of the amendments resulting from the Annual Improvements 2011 - 2013 cycle will result in a material impact on the financial information of the group and company. These amendments to IFRS3, IFRS13 and IAS40 are effective for accounting periods beginning on or after 1 February 2015.

The directors do not consider the adoption of the amendments resulting from the Annual Improvements 2012 - 2014 cycle will result in a material impact on the financial information of the group and company. These amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34 are effective for accounting periods beginning on or after 1 January 2016.

There have been no other new or revised International Financial Reporting Standards, International Accounting Standards or Interpretations that are in effect since that last annual report that have a material impact on the financial statements.

Basis of consolidation

The Group financial statements comprise the financial statements of the Company and all of its subsidiary undertakings made up to the financial year end. Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Adjustments are made where necessary to bring the accounting policies of acquired businesses into alignment with those of the Group.

The results of subsidiary undertakings acquired or disposed of in the year are included in the Group statement of comprehensive income from the effective date of acquisition or to the effective date of disposal. Accounting policies are consistently applied throughout the Group. Inter-company balances and transactions have been eliminated. Material profits from inter-company sales, to the extent that they are not yet realised outside the Group, have also been eliminated.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on both a straight-line and reducing balance basis over the estimated useful lives of fixtures, fittings and equipment taking into account any estimated residual value. The estimated useful lives are as follows:

Fixtures, fittings and equipment - 3 - 5 years

Leasehold improvements - over lease term

Intangible assets

Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets and contingent liabilities acquired. Identifiable intangible assets are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is allocated to cash generating units and is not amortised, but is tested annually for impairment.

In respect of acquisitions prior to 1 December 2006, goodwill is included at 1 December 2006 on the basis of its deemed cost, which represents the amount recorded under UK GAAP which was broadly comparable save that only separable intangibles were recognised and goodwill was amortised. On transition, amortisation of goodwill has ceased.

Research and development expenditure

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins from the date development is complete and the asset is available for use, which may be before first sale. It is amortised over the period of expected future benefit. Amortisation is recorded in administration expenses. During the period of development, the asset is tested for impairment annually. In 2015 there were five (2014: five) capitalised development projects. The directors assess the useful life of the completed capitalised development projects to be five years from the date of the first sale or when benefits begin to be realised and amortisation will begin at that time.

Database

On acquisition of the business and certain assets of Cision UK Ltd and Vocus UK Ltd, a fair value was calculated in respect of the PR and media contacts database acquired. Subsequent expenditure on maintaining this database are expensed as incurred. Amortisation is calculated on a straight line basis over the estimated useful economic life of the database. It is the directors' view that this useful economic life is three years based on the level of ongoing investment required to maintain the quality of data in the database.

Customer list

On acquisition of the business and certain assets of Cision UK Ltd and Vocus UK Ltd, a fair value was calculated in respect of the customer list acquired. Amortisation is calculated on a straight line basis over the estimated useful economic life of the customer list. It is the directors' view that this useful economic life is five years, based on known and forecast customer retention rates.

Brand value

Acquired brands, which are controlled through custody or legal rights and could be sold separately from the rest of the Group's businesses, are capitalised where fair value can be reliably measured. The Group applies a 20 year straight line amortisation policy on all brand values.

The brand equity in each case has been built up over a 5-10 year period addressing the needs of two large global markets that have yet to reach maturity. In the event that the developed world became saturated it is the directors' view that the developing world will soon find a need for such products. The conclusion is that a realistic life for the brand equity would be a 'generation' or 20 years. Where there is an indication of impairment, the directors will perform an impairment review by analysing the future discounted cash flows over the remaining life of the brand asset to determine whether impairment is required.

Software licences

Software licences include software that is not integral to a related item of hardware. These items are stated at cost less accumulated amortisation and any impairment. Amortisation is calculated on a straight line basis over the estimated useful economic life. Although perpetual licences are maintained under support and maintenance agreements, a useful economic life of five years has been determined.

Impairment of non-financial assets

The carrying amounts of the Group's assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based upon the value in use.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date. The recoverable amount is the higher of the fair value less costs to sell and value in use of the cash generating unit containing the goodwill or intangible assets with an indefinite useful life.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to the carrying amount of the goodwill allocated to that cash-generating unit and then to the carrying amount of the other assets in the unit on a pro rata basis, applied in priority to non-current assets ahead of more liquid items. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and 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.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost is determined on a first in first out (FIFO) basis and is calculated as the cost of materials, direct labour and appropriate production overheads based on normal capacity levels. Net realisable value is based on estimated selling price less additional costs to completion and costs to be incurred in marketing, selling and distribution.

Financial instruments

Financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables and other financial liabilities.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any

directly attributable transaction costs, except as described below. Subsequent to initial recognition financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or are cancelled.

Trade and other receivables are recorded initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. Specific impairment provisions are made when management consider the debtor irrecoverable and these are charged to the income statement. Trade and other payables are recorded initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments.

Loans and borrowings and other financial liabilities, which include the convertible redeemable loan notes, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Interest expense is measured on an effective yield basis and recognised in the income statement over the relevant period.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based upon their relative carrying amounts at the date of issue. The portion relating to the equity component is recognised in equity.

Finance payments associated with financial liabilities are dealt with as part of finance expenses.

The Group may enter into derivative financial instruments for risk management purposes. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value with gains and losses recognised through profit or loss. The Group does not hold or issue derivative financial instruments for trading purposes.

Convertible loan notes

The component parts of compound instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, in the case of a convertible loan note denominated in the functional currency of the issuer that may be converted into a fixed number of equity shares, the fair value of the liability component is estimated at the present value of the stream of future cash flows (including both coupon payments and redemption) discounted at the market rate of interest that would have been applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion option. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component and deferred tax liability from the fair value of the compound instrument as a whole. This is recognised and included in equity, and is not subsequently re-measured.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based upon their relative carrying amounts at the date of issue.

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future, against which the reversal of temporary differences can be deducted. Recognition, therefore, involves judgement regarding the future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised.

Historical differences between forecast and actual taxable profits have not resulted in material adjustments to the recognition of deferred tax assets.

Share-based payments

The Group issues equity-settled share-based payments to certain employees. These equity-settled share-based payments are measured at fair-value at the date of the grant. Where material, the fair value as determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

Fair value is measured by use of the Black–Scholes method. The charges to the profit and loss rest in the subsidiary employing the executive concerned.

Employee benefits

Individual subsidiaries of the Group operate defined contribution pension schemes for their employees. The assets of the schemes are not managed by the Group and are held separately from those of the Group. The annual contributions payable are charged to the income statement when they fall due for payment.

Revenue

Revenue represents the amounts derived from the provision of goods and services, stated net of Value Added Tax. The methodology applied to income recognition is dependent upon the goods or services being supplied.

In respect of income relating to annual service contracts and/or hosted services which are invoiced in advance, it is the Group's policy to spread the income of each contract equally over the contract's life. The full value of each sale is credited to deferred revenue when invoiced to be released to the statement of comprehensive income in equal instalments over the contract period.

Revenues from the delivery of infrastructure are recognised on installation with associated training and consultancy fees recognised when specified contractual milestones are met or on project completion. In the event that these services are invoiced in advance they will be credited to deferred revenue and released to the comprehensive income statement once delivered.

Income from the sale of perpetual licences is recognisable in full at the date of sale.

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance income and finance expenses

Finance income and finance expenses are recognised in profit or loss as they accrue, using the effective interest method.

Finance income relates to interest income on the Group's bank account balances.

Interest payable comprises interest payable or finance charges on loans classified as liabilities.

In relation to interest relating to the convertible redeemable loan notes, the charge to the profit and loss account is an 'effective interest charge' over the period as opposed to the actual interest paid or payable. The effective interest charge is higher than the actual interest paid.

Dividend distributions

Dividend distributions are recognised as transactions with owners on payment.

Foreign Exchange

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). The results and financial position of each Group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

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 at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the year.

3. Revenue

The Group's revenue is primarily derived from the rendering of services with the value of sales of goods being not significant in relation to total Group revenue.

The Group's revenue was split into the following territories:

	Continuing Operations 2015 £'000	Discontinued Operations 2015 £'000	Continuing Operations 2014 £'000	Discontinued Operations 2014 £'000
	United Kingdom	7,269	2,737	3,790
	European Union	464	-	202
Rest of the world	386	-	299	-
	8,119	2,737	4,291	4,255

All non-current assets are held in the United Kingdom as they were in 2014. No customer represents 10% or more of revenue as was the case in 2014.

4. Segment reporting

Segment information is presented in respect of the Group's operating segments which are based upon the Group's management and internal business reporting.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses.

Segment non-current asset additions show the amounts relating to property, plant and equipment and intangible assets including goodwill. All non-current assets are located in the UK.

Operating segments

The Group operating segments have been decided upon according to their revenue model and product or service offering being the information provided to the chief operating decision maker, the non-executive Chairman. The Reputation and Governance, Risk & Compliance segments derive their revenues from software licence sales and support and training revenues. As a result of the Group's divestments and acquisitions during the year the segments reported have changed to reflect the Board's focus. The segments are:

- Reputation
- Governance, Risk & Compliance
- Discontinued - Disposals & Held for Sale
- Head Office

The segment information for the year ended 30 November 2015, is as follows:

2015	Governance, Risk & Compliance	Reputation	Head office	Consolidation adjustment	Continuing Operations	Discontinued -Disposals	Discontinued -Held for Sale	Consolidation adjustment	Discontinued Operations	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External revenue	6,119	2,000	-	-	8,119	944	1,793	-	2,737	10,856
Internal revenue	-	-	-	-	-	-	-	-	-	-
Operating (loss)/profit	(1,716)	(1,157)	(2,470)	2,820	(2,523)	(366)	176	-	(190)	(2,712)
Profit on sale of subsidiary	-	-	-	-	-	-	-	900	900	900
Impairment	-	(1,899)	-	-	(1,899)	-	-	-	-	(1,899)
Financial income	-	-	1	-	1	-	-	-	-	1
Financial expense	-	-	(266)	-	(266)	-	-	-	-	(266)
Taxation	341	319	82	21	763	-	(29)	-	(29)	734
(Loss)/profit after taxation	(1,375)	(2,737)	(2,653)	2,841	(3,924)	(366)	147	900	681	(3,245)
Reportable segment assets	13,393	870	10,853	(10,158)	14,958	-	4,121	-	4,121	19,080
Reportable segment liabilities	10,518	5,233	7,801	(12,105)	11,447	-	1,652	-	1,652	13,100
Other information:										
Additions to property, plant and equipment	12	1	10	-	23	24	20	-	44	67
Depreciation and amortisation	577	147	102	(110)	716	52	182	-	234	950

The segment information for the year ended 30 November 2014 (restated), is as follows:

2014	Governance, Risk & Compliance	Reputation	Head office	Consolidation adjustment	Continuing Operations	Discontinued -Disposals	Discontinued -Held for Sale	Consolidation adjustment	Discontinued operations	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External revenue	2,325	1,966	-	-	4,291	2,288	1,967	-	(368)	-
Internal revenue	-	-	-	-	-	368	-	-	4,255	8,546
Operating profit/(loss)	953	(237)	(1,272)	(10)	(566)	103	442	-	-	545
Impairment	-	(798)	-	-	(798)	-	-	-	-	(798)
Financial income	1	-	-	-	1	-	-	-	-	1
Financial expense	-	-	(115)	-	(115)	-	-	-	-	(115)
Taxation	(12)	106	(147)	(68)	(121)	(6)	(22)	-	-	(28)
Profit/(loss) after taxation	942	(929)	(1,534)	(78)	(1,599)	97	420	-	517	(1,082)
Reportable segment assets	5,677	2,457	9,996	(10,654)	7,476	2,101	3,907	-	6,008	13,484
Reportable segment liabilities	1,878	4,024	7,534	(8,481)	4,955	1,353	1,585	-	2,938	7,893
Other information:										
Additions to property, plant and equipment	5	2	18	-	25	101	14	-	115	140
Depreciation and amortisation	79	32	270	(115)	266	93	50	-	143	409

5. Operating loss

Operating loss is stated after charging:

	2015 £'000	2014 £'000
Depreciation of property, plant and equipment	257	233
Amortisation of development costs	378	80
Amortisation of brand values	60	60
Amortisation of software licences	44	36
Amortisation of database	138	-
Amortisation of customer list	70	-
Loss on disposal of property, plant and equipment	70	2
Impairment of intangible assets	1,899	798
Loss on foreign currency translation	-	12
Exceptional costs (see below)	278	-
Operating lease charges - land and buildings	574	420
Auditor's remuneration (see below)	85	54
Share based payments	26	36
Research and development and other technical expenditure (income statement) (a further £1,526k (2014: £1,577k) was capitalised)	1,922	2,363
Inventories recognised as expense	-	514
Increase in provision for receivables	46	19

Exceptional costs in the year ended 30 November 2015 were incurred as a result of restructuring and non-recurring one off termination of employment costs for staff and directors, along with associated legal fees. The exceptional costs are made up of the following:

	2015 £'000	2014 £'000
Compensation for loss of office - directors	88	-
Compensation and notice payments - all staff	152	-
Legal costs incurred on compensation of loss of office for directors	38	-
	278	-

Auditor's remuneration is further analysed as:

	2015 £'000	2014 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	27	14
Under-provision for the audit of the Company's 2014 annual accounts	21	-
The audit of the Company's subsidiaries, pursuant to legislation	28	31
Tax services	9	9
	85	54

6. Discontinued operations

In April 2015 the Group sold its entire IT support segment (see note 4: Discontinued - Disposals); the segment was not a discontinued operation or classified as held for sale at 30 November 2014 and the comparative consolidated statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operations. Management committed to a plan to sell this segment early in 2015 following a strategic decision to focus on Software as a Service lines and move away from non core activities.

Due North Limited is also presented as a disposal group held for sale following the commitment of the Group's management, in June 2015, to a plan to sell the entity.

	2015 £'000	2014 £'000
Results of discontinued operation		
Revenue	2,737	4,255
Expenses	(2,927)	(3,711)
Results from operating activites	(190)	544
Tax	(29)	(28)
Results from operating activites, net of tax	(219)	516
Gain on sale of discontinued operation	900	-
Tax on gain on sale of discontinued operation	-	-
Profit for the year	681	516
Basic earnings per share	0.27p	0.22p
Diluted earnings per share	0.25p	0.22p

The profit from discontinued operations of £681,000 is entirely attributable to the owners of the Company.

	2015 £'000	2014 £'000
Cash flows from (used in) discontinued operation		
Net cash used in operating activities	398	760
Net cash from investing activites	(444)	(876)
Net cash from financing activities	-	-
Net cash flows for the year	(46)	(116)

The following is a breakdown of the effects of the disposal of the IT support segment on the financial position of the Group:

	2015 £'000
Goodwill	800
Property, plant and equipment	166
Inventories	134
Trade and other receivables	776
Cash and cash equivalents	346
Deferred tax liabilities	(20)
Trade and other payables	(1,740)
Net assets and liabilities	462
Consideration received, satisfied in cash	1,487
Cash and cash equivalents disposed of	346

7. Disposal group held for sale

Due North Limited is presented as a disposal group held for sale following the commitment of the Group's management, in June 2015, to a plan to sell the entity. Efforts to sell the disposal group had therefore commenced before the year end with the sale being completed on 3 February 2016 (see note 30).

At 30 November 2015 the disposal group comprised the following assets and liabilities:

Assets classified as held for sale

	2015 £'000
Goodwill	412
Development costs	2,661
Property, plant and equipment	73
Trade and other receivables	516
Cash and cash equivalents	207
	3,869

Liabilities classified as held for sale

	2015 £'000
Trade and other payables	1,022
Deferred tax liabilities	433
	1,455

8. Acquisition of business combinations

On 23 June 2015, the group entered into an asset purchase agreement to acquire certain trade and assets of Cision UK Limited and Vocus UK Limited for an aggregate cash consideration of £1,340,000. The trade and assets were acquired through a newly incorporated subsidiary company, AIMediaData Limited, as a single economic unit which will continue to be operated on this basis.

The Board believe the acquisition will provide the Group with a developed media contacts database which will strengthen the long term ability of Group subsidiary Access Intelligence Media & Communications Limited to compete within the IMS market in the UK.

In the six months to 30 November 2015, AIMediaData Limited contributed revenue of £3,351,000 and a loss of £929,000. The Directors do not consider it practicable to report either the revenue or the loss of AIMediaData as though the acquisition date had been as of the beginning of the reporting period. The reason that this is considered impracticable is that only certain trade and assets of Cision UK Limited and Vocus UK Limited were acquired and the Group has made significant changes to the operations of the acquired business during its period of ownership. As a result, both the revenue profile and the cost base of the business are fundamentally different to pre-acquisition results of the Cision UK and Vocus UK businesses.

Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

	£'000
Cash	1,340
Total consideration transferred	1,340

Acquisition related costs

The Group incurred acquisition related costs of £153,000 on legal fees and due diligence costs. These costs have been included in 'administrative expenses'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	£'000
Property, plant and equipment	254
Intangible assets	1,835
Trade and other receivables	1,452
Cash and cash equivalents	-
Trade and other payables	(877)
Accruals and deferred income	(3,367)
Total identifiable net liabilities acquired	(703)

The intangible assets identified above primarily comprise the fair values estimated for the media contacts database and customer list acquired.

A cost based approach was used to value the media contacts database, determining the likely cost of building an equivalent media contacts database from new. The useful life of the database has been estimated at 3 years.

The customer list was valued by assessing a discounted cash flow for the acquired customer list, based on customer attrition rates and using a discount factor of 12%. This discount factor is in line with value-in-use calculations performed for intangibles testing (see Note 15). The useful life of the customer list has been estimated at 5 years.

Trade and other receivables comprise gross contractual amounts due of £1,536,000, of which £84,000 was expected to be uncollectable at the date of acquisition.

Trade and other payables include an amount of £3,074,000 which relates to the fair value of deferred revenue acquired. The fair value has been estimated based on the value of deferred revenue relating to contracts transferred, discounted in accordance with IFRS.

Goodwill

Goodwill recognised on this acquisition represents the difference between the consideration paid and the fair value of the net liabilities acquired. It includes the value inherent in the assembled workforce acquired. The goodwill arising has been recognised as follows:

	£'000
Consideration transferred	1,340
Fair value of identifiable net liabilities	703
Goodwill	2,043

The goodwill arising on acquisition is considered to be deductible for tax purposes.

9. Particulars of employees

	2015	2014
The average number of persons (including directors) employed by the Group during the year was:		
Selling, distribution and administration	148	58
Technical	72	71
	220	129

Costs incurred in respect of these employees were:

	2015 £'000	2014 £'000
Wages and salaries costs	7,403	4,443
Social security costs	707	492
Pension costs	119	90
Health insurance	39	71
Employee benefits	12	5
Compensation for loss of office	240	8
	8,520	5,109

Of the costs listed above in relation to employees £577,000 were capitalised to the statement of financial position within development costs and £7,943,000 were expensed to the statement of comprehensive income.

The compensation for loss of office charge of £240,000 (2014: £8,000) relates to 3 employees (2014: 3 employees) who were made redundant during the year and 3 directors (2014: Nil).

The reportable key management personnel are considered to be comprised of the Company directors, the remuneration for whose services during the year are detailed in the table below.

Directors' remuneration

	Salaries £	Settlements £	Fees £	2015 £	2014 £
Executive Directors					
J Arnold	201,410	-	-	201,410	141,667
K Dhoot (Resigned 12 June 2015)	89,423	58,334	-	147,757	85,000
Non Executive Directors					
M Jackson	32,500	-	-	32,500	29,000
J Hamer (Resigned 1 October 2015)	12,500	15,000	-	27,500	15,000
H Bang (Resigned 1 October 2015)	12,500	15,000	-	27,500	15,000
D Lowe	17,500	-	-	17,500	15,000
C Pilling (Appointed 24 August 2015)	-	-	19,500	19,500	-
	365,833	88,334	19,500	473,667	300,667

J Arnold and K Dhoot received health insurance benefits during the year of £1,120 (2014: £1,154) and £803 (2014: £1,587) respectively.

J Arnold and K Dhoot received payments into personal retirement money purchase pension schemes during the year of £7,474 (2014: £6,155) and £3,298 (2014: £5,275) respectively.

No other directors received any other benefits other than those detailed above.

The number of directors at 30 November 2015 accruing retirement benefits under money purchase schemes was 1 (2014: 2).

The interests of the directors in share options are detailed in the Directors' Report on page 12 of this report.

10. Financial income

	2015 £'000	2014 £'000
Interest receivable on bank accounts	1	1

11. Financial expense

	2015 £'000	2014 £'000
Effective interest charged on convertible loan notes	191	115
Interest charged on non-convertible loan notes	75	-
Total financial expense	266	115

12. Taxation

	2015 £'000	2014 £'000
Current income taxes credit:		
UK corporation tax credit for the year	(101)	(237)
Adjustment in respect of prior year	-	(19)
Total current income tax credit	(101)	(256)
Deferred tax (note 23)		
Impact of change in tax rate	27	-
De-recognition of deferred tax assets	80	363
Origination and reversal of temporary differences	(740)	42
Total deferred tax	(633)	405
Total tax (credit)/expense	(734)	149
Attributable to:		
Continuing operations	(763)	121
Discontinued operations	29	28
Total	(734)	149

As shown above the tax assessed on the loss on ordinary activities for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20.3% (2014: 21.7%).

The differences are explained as follows:

	2015 £'000	2014 £'000
Factors affecting tax credit	2015 £'000	2014 £'000
Loss on ordinary activities before tax	(3,977)	(933)
Loss on ordinary activities by effective rate of tax of 20.3% (2014: 21.7%)	(809)	(202)
Expenses not deductible for tax purposes	274	142
Adjustment in respect of prior year	-	(19)
De-recognition of deferred tax assets	80	363
Additional R&D claim CTA 2009	(279)	(135)
Total tax (credit)/expense	(734)	149

Factors that may affect future tax expenses

The main rate of corporation tax was reduced to 20% from 1 April 2015 and is due to be further reduced by a further 1% from April 2017 and by a further 1% from April 2020. All deferred tax assets and liabilities are assumed to cease or be utilised at 19%.

13. Dividend paid

Due to the significant and ongoing investment in developing our products, the directors do not propose a dividend in respect of the year ended 30 November 2015.

14. Earnings per share

The calculation of earnings per share is based upon the total Group loss after taxation of £3,243,000 (2014: loss of £1,082,000) divided by the weighted average number of ordinary shares in issue during the year which was 252,593,681 (2014: 235,110,347).

In 2015 and 2014 potential ordinary shares from the share option schemes and convertible loan notes have an anti-dilutive effect due to the Group being in a loss position. This includes the convertible loan notes issued during the year. As a result, dilutive loss per share is disclosed as the same value as basic loss per share.

This has been computed as follows:

	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Numerator	2015 £'000	2015 £'000	2015 £'000	2014 £'000	2014 £'000	2014 £'000
(Loss)/Profit for the year and earnings used in basic EPS	(3,924)	681	(3,243)	(1,598)	516	(1,082)
Earnings used in diluted EPS	(3,924)	681	(3,243)	(1,598)	516	(1,082)
Denominator	'000	'000	'000	'000	'000	'000
Weighted average number of shares used in basic EPS	252,594	252,594	252,594	235,110	235,110	235,110
Effects of:						
Dilutive effect of options	N / A	14,821	14,821	N/A	420	420
Dilutive effect of loan note conversion	N/A	N/A	N/A	N/A	N/A	N/A
Weighted average number of shares used in diluted EPS	252,594	267,415	267,415	235,110	235,530	235,530
Basic (Loss)/earnings per share (pence)	(1.55)	0.27	(1.28)	(0.68)	0.22	(0.46)
Diluted loss per share for the year (pence)	(1.55)	0.25	(1.30)	(0.68)	0.22	(0.46)

On 21 September 2011 29,666,667 shares were returned to the Company and were held in Treasury at the year end. Once in treasury they were removed from the earnings per share calculation.

The total number of options and warrants granted at 30 November 2015 of 33,958,676 (2014: 38,436,281) would generate £984,626 (2014: £1,176,190) in cash if exercised. At 30 November 2015, 545,000 (2014: 34,936,281) were priced above the mid-market closing price of 5.13p per share (2014: 2.31p) per share and 33,413,676 (2014: 3,500,000) were below.

At the 30 November 2015 9,258,676 (2014: 6,947,387) staff options were eligible for exercising at an average price of 3.2p (2014: 4.2p). Also eligible for exercising are the 21,300,000 warrants priced at 2.75p per share held by M Jackson, D Lowe and Elderstreet VCT plc consequent to their investment in October 2008.

The below table shows the amount of outstanding convertible loan notes at 30 November 2015 and the amount of shares they would convert into if the holder chooses the conversion option:

Holder	Loan Notes £'000	Convert into shares '000	Date of conversion
Elderstreet VCT	500	12,500	31 December 2016
Unicorn AIM VCT	750	18,750	31 December 2016
Elderstreet VCT	200	6,667	4 December 2019
Hawk Investments	300	10,000	4 December 2019
Kestrel Partners LLP	400	13,333	4 December 2019
Octopus AIM VCT	200	6,667	4 December 2019
Total	2,350	67,917	

15. Intangible fixed assets

	Brand value £'000	Goodwill £'000	Development costs £'000	Software licences £'000	Database £'000	Customer list £'000	Total £'000
Cost							
At 1 December 2013	1,369	12,005	3,119	160	-	-	16,653
Capitalised during the year	-	-	1,573	-	-	-	1,573
At 30 November 2014	1,369	12,005	4,692	160	-	-	8,226
At 1 December 2014	1,369	12,005	4,692	160	-	-	18,226
Capitalised during the year	-	-	1,533	68	-	-	1,601
Additions through business combination	-	2,043	-	8	997	830	3,878
Disposals	-	(1,430)	-	-	-	-	(1,430)
Held for sale	-	(1,481)	(2,846)	-	-	-	(4,327)
At 30 November 2015	1,369	11,137	3,379	236	997	830	17,948
Amortisation and impairment							
At 1 December 2013	349	7,978	472	47	-	-	8,846
Charge for the year	60	-	80	36	-	-	176
Impairment in year	-	798	-	-	-	-	798
At 30 November 2014	409	8,776	552	83	-	-	9,820
At 1 December 2015	409	8,776	552	83	-	-	9,820
Charge for the year	60	-	378	44	138	70	690
Disposals	-	(630)	-	-	-	-	(630)
Held for sale	-	(1,069)	(185)	-	-	-	(1,254)
Impairment in year	-	-	1,899	-	-	-	1,899
At 30 November 2015	469	7,077	2,644	127	138	70	10,525
Net Book Value							
At 30 November 2015	900	4,060	735	109	859	760	7,423
At 30 November 2014	960	3,229	4,140	77	-	-	8,406

For the purpose of impairment testing, goodwill is allocated by entity, which represent the Group's CGUs and the lowest level within the Group at which the goodwill is monitored.

The carrying value of capitalised development costs which are not yet being amortised and goodwill, allocated to each CGU are:

2015	Development Costs		Goodwill
	£'000	£'000	£'000
Continuing operations:			
Access Intelligence plc		-	89
Access Intelligence Media & Communications Ltd		-	1,928
AI Media Data Ltd.		78	2,043
AI TrackRecord Ltd		-	-
AI Talent Ltd		-	-
		78	4,060

	Development Costs	Goodwill
2014	£'000	£'000
Continuing operations:		
Access Intelligence plc	30	89
Access Intelligence Media & Communications Ltd	425	1,928
AITrackRecord Ltd	1,242	-
AI Talent Ltd	44	-
	1,741	2,017
Discontinued operations:		
Willow Starcom Ltd	-	800
Due North Ltd	2,399	414
	4,140	3,231

At the balance sheet date, impairment tests were undertaken by comparing the carrying values of goodwill, capitalised development costs and other assets with the recoverable amount of the CGU to which the goodwill, capitalised development costs and other assets have been allocated. The recoverable amount of the CGU is based on value-in-use calculations. These calculations use pre-tax cash flow projections covering a five year period based on financial budgets and forecasts as approved by the Board with a terminal value for goodwill impairment assessment and covering a ten year period based on financial budgets and forecasts as approved by the Board with no terminal value for other intangible assets. Ten years were selected as this represents the estimated lifetime of the software platforms.

The key assumptions used for value-in-use calculations are those regarding revenue growth rates and discount rates over the forecast period. Growth rates are based on past experience, the anticipated impact of the CGUs significant investment in research and development, and expectations of future changes in the market. The value in use calculations use information from approved budgets in the first three years, followed by applying specific growth rates for which the key assumptions in respect of annual revenue growth rates range between 0% and 7% from year 4 onwards.

The discount rate used for all companies was 12%, based on an assessment of the Group's cost of capital and on comparison with other listed technology companies. The terminal growth rate used for the purposes of goodwill impairment assessments was 2.5%. The Board considered that no impairment to goodwill is necessary based on the value-in-use reviews of Access Intelligence Media & Communications Limited and AIMediaData Limited.

After review of the value-in-use of AITrackRecord Limited, the Board considers that the recent history of losses in that company and net cash outflows forecast in the immediate future mean that a provision should be recognised representing the full carrying value of development costs capitalised by that company, being £1,692,000. After review of the value-in-use of AITalent Limited, the Board considers that the recent history of losses in that company and net cash outflows forecast in the immediate future mean that a provision should be recognised representing the full carrying value of development costs capitalised by that company being £30,000.

The value-in-use calculations for Access Intelligence Media & Communications Limited and AIMediaData Limited significantly exceeded the carrying values of goodwill and intangibles relating to those companies.

Sensitivity analysis has been performed on reasonably possible changes in assumptions upon which recoverable amounts have been estimated. Based on the sensitivity analysis, a reduction of 77% in the EBITDA delivered by Access Intelligence Media & Communications Limited would result in the carrying value of its goodwill being equal to its recoverable amount. For AIMediaData Limited, a 31% reduction in the revenue growth rate would result in the carrying value of its goodwill being equal to its recoverable amount. For both companies, an increase in the discount rate by 25 percentage points would still not result in the carrying value of goodwill exceeding the recoverable amount.

Other impairments

Other intangible assets are tested for impairment if indicators of an impairment exist. Such indicators include performance falling short of expectation.

In 2015, development costs of £177,000 were impaired as a result of projects that did not perform as expected.

The directors considered that there were no further indicators of impairment relating to the remaining intangible fixed assets at 30 November 2015.

16. Property, plant & equipment

	Fixtures fittings and equipment £'000	Leasehold improvements £'000	Total £'000
Cost			
At 1 December 2013	1,297	104	1,401
Additions	140	-	140
Disposals	(1)	-	(1)
At 30 November 2014	1,436	104	1,540
At 1 December 2014	1,436	104	1,540
Additions	66	-	66
Additions through business combination	122	132	254
Disposals	(782)	(22)	(804)
Classified as held for sale	(266)	(27)	(293)
At 30 November 2015	576	187	763
Depreciation			
At 1 December 2013	768	16	784
Charge for the year	218	15	233
Disposals	-	-	-
At 30 November 2014	986	31	1,017
At 1 December 2014	986	31	1,017
Charge for the year	206	51	257
Disposals	(563)	(3)	(566)
Classified as held for sale	(193)	(25)	(218)
At 30 November 2015	436	54	490
Net Book Value			
At 30 November 2015	140	133	273
At 30 November 2014	450	73	523

17. Inventories

	2015 £'000	2014 £'000
Spare parts servicing maintenance contracts	-	142

18. Trade and other receivables

	2015 £'000	2014 £'000
Current assets		
Trade receivables	3,008	2,172
Less: provision for impairment of trade receivables	(330)	(200)
	2,678	1,972
Prepayments and other receivables	950	641
	3,628	2,613

As at 30 November 2015, trade receivables of £330,000 (2014: £200,000) were impaired and fully provided for. The provision relates primarily to monies owed by Organization Metrics Inc, a company based in Canada. A further £84,000 was acquired through the acquisition of a business and relates to debt over 120 days overdue.

All trade receivables are reviewed by management and are considered collectible. The ageing of trade receivables which are past due and not impaired is as follows:

	2015 £'000	2014 £'000
Days outstanding:		
31–60 days	771	344
61–90 days	152	330
91–180 days	506	-
	1,429	674

Movements on the Group provision for impairment of trade receivables are as follows:

	2015 £'000	2014 £'000
At 1 December	200	181
On business combination	84	-
Increase in provision	46	19
At 30 November	330	200

Ageing on impaired debt	2015 £'000	2014 £'000
Days outstanding:		
90–180 days	123	-
181–270 days	-	-
Above 270 days	207	200
	330	200

The creation and release of a provision for impaired receivables has been included in ‘administrative expenses’ in the income statement. Amounts charged to the allowance account are generally written off, where there is no expectation of recovering additional cash.

The other asset classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above together with our cash deposits totaling £1,523,000 (2014: £1,144,000). The Group does not hold any collateral as security.

As disclosed in note 22, credit risk is considered according to sector and necessary allowances are made when needed by assessing changes in our customers’ credit profiles and credit ratings.

19. Interest bearing loans and borrowing

	2015 £'000	2014 £'000
Current		
Convertible loan notes	1,277	-
	1,277	-
Non-current		
Convertible loan notes	1,009	1,301
Non-convertible loan notes	1,830	-
	2,839	1,301

On 30th June 2009 £1,750,000 convertible loan notes were issued. At 30 November 2014 and 30 November 2015, £1,250,000 of these loan notes were in issue.

The original terms were that these loan notes were redeemable at par or convertible to ordinary shares at 4p per ordinary share on or before maturing on 30th June 2015 and carried a coupon rate of 6% per annum payable semi-annually until such time as they were repaid or were converted in accordance with their terms. The holder of the notes may convert all or part of the notes held by them into new ordinary shares in the Company on delivery to the Company of a conversion notice at 4p per share.

In 2014, the Company agreed terms with Elderstreet VCT (a company related to Chairman Michael Jackson) and Unicorn AIM VCT plc to extend the loans such that they mature on 31 December 2015, with enhanced interest at 8% during this extended period with conversion rights unchanged at 4p per share.

In January 2016 the Company agreed the same terms as those agreed in the prior year with both note holders such that the notes are redeemable at par or convertible to ordinary shares at 4p per ordinary share on or before maturing on 31 December 2016 and carry a coupon rate of 8% per annum, payable semi-annually until such a time as they are repaid or converted in accordance with their terms. These notes are classified as current at the year end.

In December 2014 the company issued a further £1,100,000 of convertible loan notes. These loan notes are redeemable at par or convertible to ordinary shares at 3p per ordinary share on or before maturing on 3 December 2019 and carry a coupon rate of 8% per annum payable semi-annually until such time as they are repaid or converted.

No redemptions or conversions of the convertible loan stock arose in the year ended 30 November 2015.

The net proceeds received from the issues of the convertible loan notes have been split between the liability element and an equity component, representing the fair value of the embedded option to convert the liability into equity of the Company, as follows:

	2015 £'000	2014 £'000
Proceeds of issue of convertible loan notes	1,100	-
Existing loan notes rolled over	1,250	1,250
Equity component	(255)	(126)
Deferred taxation	(79)	(49)
Initial fair value of liability component	2,016	1,075
Cumulative interest charged	792	601
Cumulative interest paid	(522)	(375)
Liability component at 30 November	2,286	1,301

The equity component of £255,000 (2014: £126,000) has been credited to equity reserve (see note 10 of the parent company). The interest charged for the year is calculated by applying an effective rate of interest of 9.8% (2014: 9.8%) to the liability component for the 12 month period. The liability component is measured at amortised cost. The difference between the carrying amount of the liability component at the date of issue and the amount reported in the balance sheet at 30 November 2015 represents the effective interest rate less interest paid to that date.

The movement on the convertible loan note liability is summarised below:

	2015 £'000	2014 £'000
Opening loan liability	1,301	1,261
Issue of convertible loan notes	941	-
Interest charged for the year	191	115
Interest paid in the year	(147)	(75)
Liability component at 30 November	2,286	1,301

On 22 June 2015 the company issued £1,818,000 non-convertible loan notes which carry an interest rate of 10% for one year rising to 12% thereafter. Interest is payable quarterly in arrears. The loans notes are fully repayable in 5 years.

	2015 £'000	2014 £'000
Opening loan liability	-	-
Issue of non-convertible loan notes	1,818	-
Costs associated with the issue of loans	(18)	-
Interest charged for the year	75	-
Interest paid in the year	(45)	-
Liability component at 30 November	1,830	-

20. Trade and other payables

	2015 £'000	2014 £'000
Due within one year		
Trade and other payables	824	888
Other taxes and social security costs	190	312
VAT payable	211	326
	1,225	1,526
Due greater than one year		
	2015 £'000	2014 £'000
Trade and other payables	391	60

21. Financial instruments

The Group's treasury activities are designed to provide suitable, flexible funding arrangements to satisfy the Group's requirements. The Group uses financial instruments comprising borrowings, cash, liquid resources and items such as trade receivables and payables that arise directly from its operations. The main risks arising from the Group financial instruments relate to the maintaining of liquidity across the 6 group entities and debt collection. The Board reviews policies for managing each of these risks and they are summarised below.

The Group finances its operations through a combination of cash resources, loan notes and equity. Short term flexibility is provided by moving resources between the individual subsidiaries. Exposure and interest rate fluctuations are minimal as all borrowings are at fixed rates of interest. The Group also has deposit facilities on which 1.25% interest was being earned throughout 2015 (2014: 1.25%) and will be optimising the use of these accounts going forward. In 2015, the Group's investment in developing its products resulted in lower cash resources resulting in the reduction in interest received. The Group's exposure to interest rate risk is not significant and therefore no sensitivity analysis has been performed.

Small amounts of foreign currency risk exists in two subsidiaries which invoice in currencies other than sterling. Due to the relative size of the currency risks concerned no hedging takes place in Australian dollars, Euros or US dollars. At the year end there were no open contracts, however the Group was holding a US dollar deposit of \$113,058 (2014: \$20,000) which was translated at the rate of 1.5031 (2014: 1.6052) for inclusion in the consolidated statement of financial position. This amounted to £75,206 (2014: £12,500). There are no hedges against this balance.

The Group did not hold any other assets or liabilities in foreign denominated currencies at the reporting date. The directors do not consider that there is a significant exposure to foreign exchange risk and therefore no sensitivity analysis has been performed.

At 30 November 2015 borrowings comprised convertible loan notes of £2,350,000 (2014: £1,250,000) and non-convertible loan notes of £1,818,000. Of the convertible loan notes, £750,000 and £500,000 loan notes have been extended and may convert to equity on 31 December 2016 at 4 pence per share unless they have already been redeemed at par. The remaining 5 loan notes will convert into equity on 7 December 2019 at 3 pence per share.

There is no material difference between the fair values and book values of the Group's financial instruments. Short term trade receivables and payables have been excluded from the above disclosures.

The objectives of the Group's treasury activities are to manage financial risk, secure cost-effective funding where necessary and minimise the adverse effects of fluctuations in the financial markets on the value of the Group's financial assets and liabilities, on reported profitability and on the cash flow of the Group. Interest income is sought wherever possible and in 2014 produced £1,000 (2013: £10,000) of income.

The Group's principal financial instruments for fundraising are through share issues.

	Loans, receivables and other payables £'000	Total £'000
2015		
Assets per the balance sheet	-	-
Trade and other receivables excluding prepayments	2,678	2,678
Cash and cash equivalents	1,523	1,523
	4,201	4,201
Liabilities per the balance sheet		
Trade and other payables excluding accruals	1,599	1,599
Interest bearing loans and borrowings	4,116	4,116
	5,715	5,715
Undiscounted contractual maturity of financial liabilities		
Amounts due within one year		1,599
Amounts due between one and five years		2,827
Amounts that convert to equity		2,648
		7,074
Less: future interest charges		(1,359)
Financial liabilities carrying value		5,715

The above analysis excludes corporation tax receivable.

	Loans, receivables and other payables £'000	Total £'000
2014		
Assets per the balance sheet		
Trade and other receivables excluding prepayments	1,972	1,972
Cash and cash equivalents	1,144	1,144
	3,116	3,116
Liabilities per the balance sheet		
Trade and other payables excluding accruals	1,526	1,526
Interest bearing loans and borrowings	1,301	1,301
	2,827	2,827
Undiscounted contractual maturity of financial liabilities		
Amounts due within one year		1,526
Amounts due between one and five years		-
Amounts that convert to equity		1,401
		2,927
Less: future interest charges		(100)
Financial liabilities carrying value		2,827

The liquidity risk relating to the contractual liabilities listed above is managed on a local basis through their day to day cash management. The Group has invested significantly in restructuring the Group and building products written in current code bases, accordingly the Group is liquid with £1,523,000 (2014: £1,144,000) available cash resources against a liability payable within the next 12 months of £1,599,000 (2014: £1,526,000). Management monitor cash balances weekly. However should any subsidiary, or the parent company, find that it does not have the liquidity to pay a debt as it becomes due an inter-company cash transfer will be made available by another member of the Group.

22. Financial and operational risk management

The Group's activities expose it to a variety of financial risks which are managed by the Group and subsidiary management teams as part of their day-to-day responsibilities. The Group's overall risk management policy concentrates on those areas of exposure most relevant to its operations. These fall into four categories:

- Competitive risk — that our products are no longer competitive or relevant to our customers
- Cash flow and liquidity risk — that we run out of the cash required to run the business
- Credit risk — that our customers do not pay
- Key personnel risk — that we cannot attract and retain talented people

Competitive risk

All of our businesses are active in competitive markets. These markets are predominantly UK based but nevertheless face global competition. To succeed we need staff with the appropriate skills, offering state of the art product and service solutions at competitive prices. They need a full understanding of the benefits and attributes of our products as well as an understanding of competitor products. They also need to know about sales opportunities on a timely basis.

As a small company, with limited resources, we need to manage our product investments with care but we tackle these risks as follows:

- We encourage investment as needed to maintain our market leading status through product research and development;
- We created a cutting edge centre of dedicated .Net development expertise in York housing 30 developers and testers serving the Group;
- We are growing our sales and marketing teams across the Group in a controlled manner;
- We make time and funds available for staff training;
- We incentivise through balanced sales commission schemes;
- We monitor individual sales person performance, taking action where necessary; and
- We expect subsidiary directors to have an excellent understanding of their market.

Cash flow and liquidity risk

As a Group we support the cash requirements of six individual trading units, all of which have their individual working capital requirements during a trading month. At the end of 2015 we had no bank borrowings (2014: Nil) but £4,083,000 of loan notes. As an acquisitive business which also invests in its existing infrastructure continually, the need to project future requirements is important. To encourage tough cash management and good planning we manage cash as follows:

- We collect and communicate a weekly cash summary every Friday by subsidiary;
- We pay sales commissions, where appropriate but only once cash is received;
- We monitor detailed ageing analysis of debtors from each subsidiary on a monthly basis; and
- We encourage subsidiary cash generation by monitoring the ageing of debtors.

Credit risk

Our sales are split 33:67 (2014: 42:58) between public and private sector organisations. Whilst recognising that circumstances change, we are of the opinion that the public sector will pay its debts providing the purchasing rules have been followed. Despite the tough solvency issues facing all European governments we have seen no reason to change this view at the present time. The private sector however remains a higher risk and we remain diligent about our approach to these sales:

- We will not do business without a purchase order;
- We must take credit checks on new customers;
- We track aged debtors very diligently, reporting them monthly at Group Board level; and
- We do not pay sales commission on unpaid sales.

Key personnel risk

This is a people business. Our technical staff creates the product and our sales staff sell it, supported by our marketing staff. In 2015 78% (2014: 70%) of our outflows were on people. In a competitive market we recognise good people can be poached or just lose their way. There is nothing that can beat a motivated, educated and focused team. Whilst our size limits the extent of our actions, we address this risk as follows:

- We take care to take references when recruiting;
- Managers monitor performance individually whatever the role in the organisation;
- We offer training of specific skills where appropriate;
- We encourage flat management structures, open plan offices and easy accessibility up and down the organisation;
- We pay competitive market prices whilst recognising regional differences;
- We incentivise subsidiary managing directors on subsidiary profit performance;
- We have a broadly distributed approved option scheme for senior employees; and
- A number of key personnel are significant shareholders in their own right.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern providing long-term returns for shareholders and security for other stakeholders whilst maintaining optimal capital structure to allow for future acquisition and growth.

In order to manage the overall objective above, the Group gives consideration to the following:

The Board views equity firstly as the key source of funding for acquisitions and secondly as an important incentivisation tool for management. These are the key justifications for the Group's AIM listing.

In relation to acquisitions, the appropriate funding structure will be a blend of our own available cash, gearing and equity. The structure for each transaction will take into account our intention for an immediate enhancement in earnings per share.

The Board is also sensitive to the fact that there may be times when capital is in short supply justifying fundraising beyond our immediate needs. With a buy and build strategy new acquisition opportunities must be responded to as they arise, though during the remainder of 2016 the focus will be to build on developing what we have.

As an incentive for management we offer equity based payments, in line with market prices at the time of grant, aligning the long-term interests of shareholders and key executives.

23. Deferred tax assets and liabilities

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

	Accelerated tax depreciation £'000	Convertible loan notes £'000	Share-based payments £'000	Tax losses £'000	Accelerated tax on intangible assets £'000	Total £'000
At 1 December 2013	(15)	2	60	523	(672)	(102)
Charge to income	5	(2)	(31)	(134)	(244)	(406)
Charge to equity	-	-	(29)	-	-	(29)
Change in tax rate	-	-	-	-	-	-
At 30 November 2014	(10)	-	-	389	(916)	(537)
At 1 December 2014	(10)	-	-	389	(916)	(537)
Charge to income	10	-	-	361	244	615
Charge to equity	-	(30)	-	-	-	(30)
Disposal of subsidiary	20	-	-	-	-	20
Change in tax rate	1	-	-	(17)	44	28
At 30 November 2015	21	(30)	-	733	(628)	96
Attributable to:						
Continuing operations	29	(30)	-	720	(190)	529
Discontinued operations	(8)	-	-	13	(438)	(433)
Total	21	(30)	-	733	(628)	96

At the reporting date the Group had unused tax losses of £7,000,000 (2014: £3,800,000) available for offset against future profits. A deferred tax asset has been recognised in respect of all available losses expected to be utilised against future taxable profits within three years based on the forecasts approved by the directors. The tax losses do not have any expiry date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets totalling £606,000 (2014: £363,000) arising in respect of losses have not been included in the balance sheet due to uncertainties in regard to their recoverability.

The following is the aggregate amounts of deferred tax balances in each group entity, after allowable offset, for financial reporting purposes:

	2015 £'000	2014 £'000
Deferred tax assets	865	419
Deferred tax liabilities	(336)	(956)
Total	529	(537)

24. Share capital

Equity: Ordinary shares of 0.5p each	2015 £'000	2014 £'000
Allotted, issued and fully paid		
307,127,015 ordinary shares of 0.5p each		
(2014: 264,777,014 ordinary shares of 0.5p each)	1,535	1,324

During 2015, 40,400,001 shares were issued to raise finance for the acquisition of a business and a further 1,950,000 shares were issued at 3p as a result of an employee exercising share options.

On 21 September 2011 29,666,667 ordinary shares of 0.5 pence, and with a total nominal value of £148,333 were returned to the Company and were held in treasury at the year end. The shares held in treasury have no voting rights, or rights to dividends and so the total issued share capital for voting and dividend purposes is 277,460,348 (2014: 235,110,347).

Transaction costs associated with share issues in the year amounted to £12,120 (2014: Nil). Transaction costs are accounted for as a reduction from the share premium account.

25. Equity-settled share-based payments

The Company has a share option scheme for employees of the Group.

Ordinary share options granted and subsisting at 30 November 2015 were as follows:

Date of grant	Option price	No of shares	Exercisable between
17 November 2006	6.75p	100,000	Nov 2009-Nov 2016
28 February 2007	6.75p	45,000	Nov 2010-Nov 2017
23 October 2008	2.75p	21,300,000	No time limit
03 April 2009	2.75p	1,000,000	Apr 2012-Apr 2019
08 April 2009	3.0p	1,302,282	Apr 2012-Apr 2019
19 May 2009	3.5p	72,500	Nov 2009-Nov 2016
29 September 2009	4.375p	2,000,000	Sep 2012-Sep 2019
04 December 2009	5.5p	400,000	Dec 2012-Dec 2019
19 December 2011	2.2p	3,500,000	Dec 2014-Dec 2021
07 March 2012	3.3p	838,894	Mar 2015-Mar 2022
09 January 2013	3.5p	1,000,000	Jan 2016-Jan 2023
16 January 2013	3.7p	400,000	Jan 2016-Jan 2023
13 June 2013	3.1p	1,000,000	Jun 2016-Jun 2023
24 October 2013	2.5p	1,000,000	Oct 2016-Oct 2023

Details of the movements in the weighted average exercise price ("WAEP") and number of share options during the current and prior year are as follows:

	At start of year	Granted	Exercised	Forfeited	At end of year
WAEP 2014	3.04	2.62	-	2.37	3.06
WAEP 2015	3.06	-	3.02	4.76	2.90
Options 2014	39,396,281	500,000	-	(1,460,000)	38,436,281
Options 2015	38,436,281	-	(1,950,000)	(2,527,605)	33,958,676

No options were cancelled in the year (2014: Nil).

The options grant detailed above resulted in a share-based payment charge for the Group of £26,000 (2014: £36,000).

During 2015, there were no share options granted in the year. Specific assumptions used in the calculation of the share-based payment charge applicable to the grant of options in the prior year are as follows:

2014

3 November
2014

Share price at grant date	2.6p
Exercise price	2.6p
Expected volatility	54%
Expected life of options	7 years
Expected dividend yield	0%
Risk free rate	1.99%

Expected volatility rates have been arrived at by reference to the Risk Management Service information relating to Access Intelligence Plc published by the London Business School on a quarterly basis. The rate used is the rate for the quarter in which the option is granted.

The option pricing model used to determine the fair value of options granted is the Black-Scholes Model.

Further details of share options exercisable at the year end are provided in note 14.

There are no market, non-market or service conditions as part of the share option scheme. The only condition existing is that employees must still be in employment with the company at the point they exercise the options.

26. Cash and cash equivalents

The Group monitors its exposure to liquidity risk based on the net cash flows that are available. The following provides an analysis of the changes in net funds:

	As at 30 November 2014 £'000	Cash inflow £'000	As at 30 November 2015 £'000
Cash in hand and at bank	1,144	379	1,523

	As at 30 November 2013 £'000	Cash outflow £'000	As at 30 November 2014 £'000
Cash in hand and at bank	1,521	(377)	1,144

27. Commitments

Capital commitments

The Group had no capital commitments at the end of the financial year or prior year.

Operating lease commitments

The Group was committed to making the following payments in respect of operating leases for land and buildings expiring:

	Land and buildings	
	2015 £'000	Restated 2014 £'000
Within 1 year	580	353
Between 2 and 5 years	2,279	999
Over 5 years	664	283
	3,523	1,635

The Group leases various offices and storage units under non-cancellable fixed term operating lease agreements. The lease terms are up to 10 years, with break clauses ahead of the full term and the majority are not renewable at the end of the lease period.

Other operating lease commitments comprise motor vehicles and office equipment expiring:

	Other	
	2015 £'000	2014 £'000
Amounts payable within 1 year	21	11
Between 2 and 5 years	25	61
	46	72

Provisions and contingent liabilities

	Onerous Contracts £'000	Leasehold dilapidations £'000	Legal disputes £'000
At 1 December 2014	40	-	-
Charged to profit or loss	32	-	100
On acquisition	-	374	-
Released in year	(25)	-	-
At 30 November 2015	47	374	100
Due within one year or less	47	-	100
Due after more than one year	-	374	-
	47	374	100

Onerous contracts predominantly relate to lease contracts from which the company is currently trying to exit and relate to office equipment and services no longer required after the business combination part way through the year. Inherent uncertainties in measuring the provision relate to the expected future lease payments on the equipment and the final agreed termination fee.

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease. The earliest point at which it is considered that this amount may become payable is December 2016.

The Group had a legal dispute with a previous director. The amount provided represents the directors' best estimate of the Group's liability having taken legal advice.

28. Related party transactions

One (2014: none) of the directors have received a portion of their remuneration through their individual service companies during the year. The payments represent short term employee benefits. The amounts involved are as follows and relate to activities within their responsibilities as directors:

In all cases the directors are responsible for their own taxation and national insurance liabilities.

	2015 £	2014 £
C Pilling (via The Personal Web Company Ltd.)	19,500	-

Access Intelligence Plc invoiced Elderstreet Investments Limited, a company controlled by M Jackson, £760 (2014: £58,585) for rent and office support costs. The company also credited Elderstreet Investments Limited for rent which was charged in advance but which, on termination of the lease, was no longer due of £9,099. The charges are based on usage and therefore are considered to be at arms length and on standard commercial terms.

Elderstreet Investments Limited also invoiced Access Intelligence Plc £16,740 for legal and support costs it incurred on the Company's behalf. At the year end Access Intelligence Plc owed Elderstreet Investments Ltd £10,766.

For the acquisition of AIMediaData Limited, Elderstreet Investments Limited provided a short term loan of £100,000 to the Group. No interest was charged on the loan and the amount was repaid shortly afterwards.

During the year interest on convertible loans of £49,000 (2014: £30,000) was paid to Elderstreet VCT plc which is controlled by M Jackson.

During the year M Jackson, a director, provided short term loan amounts of £550,000 and £250,000 to fund the Group's investment activities. No interest was charged on the loans and the amounts were repaid shortly afterwards. Also due to Mr M Jackson was an amount of £2,040 (2014: £2,040).

During the year Access Intelligence Media & Communications Ltd received services from Macranet Ltd, a company in which M Jackson is a board member totalling £51,000 (2014: £51,000). At the year end the company owed Nil (2014: £12,750) to Macranet Ltd.

29. Pension commitments

Individual subsidiaries of the Group operate defined contribution pension schemes for their employees. The assets of the schemes are held separately from those of the Group. The annual contributions payable are charged to the income statement when they fall due for payment.

During the year £119,000 (2014: £92,000) was contributed by the Group to individual pension schemes.

At 30 November 2015 £12,000 of pension contributions were outstanding (2014: £11,000).

30. Events after the balance sheet date

On 3 February 2016 Access Intelligence Plc disposed of 100% of the issued share capital of Due North Limited, being the disposal group held for sale in note 4, for a consideration totalling £4,500,000. Group profit on disposal of the subsidiary was £1,658,000, Company profit on disposal was £3,104,000.

In January 2016, the Company agreed terms with Elderstreet VCT and Unicorn AIM VCT plc to extend the loans issued in June 2009 such that they mature on 31 December 2016, with interest at 8% during this extended period with conversion rights unchanged at 4p per share.

Company Balance Sheet

Company Number: 04799195

At 30 November 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	2	78	221
Investments	3	4,521	6,244
Intangible assets	4	41	85
		4,640	6,550
Current assets			
Debtors	5	5,898	2,983
Cash and cash equivalents		249	106
		6,147	3,089
Creditors: amounts falling due within one year	6	(7,746)	(6,351)
Net current liabilities		(1,599)	(3,262)
Creditors: amounts falling due over one year	7	(2,839)	(1,301)
Net assets		202	1,987
Capital and reserves			
Share capital	8	1,535	1,324
Treasury shares	8	(148)	(148)
Share premium account	10	1,271	224
Capital redemption reserve	10	191	191
Share option reserve	10	364	338
Equity reserve	10	255	126
Profit and loss account	10	(3,266)	(68)
Equity shareholders' funds		202	1,987

The financial statements were approved by the Board of directors on 8 April 2016 and signed on its behalf by:



M Jackson
Chairman

Notes to the Company Financial Statements

Year ended 30 November 2015

1. Accounting policies

Basis of preparation

These separate financial statements of the Parent Company, Access Intelligence Plc, which have been prepared in accordance under the historical cost convention and in accordance with applicable accounting standards under UK GAAP, are presented as required by the Companies Act 2006.

On the basis of current financial projections and available funds and facilities, the directors are satisfied that the Company, taking into account that it operates as part of the Access Intelligence plc Group, has adequate resources to continue in operation for the foreseeable future and therefore consider it appropriate to prepare the financial statements on the going concern basis (refer to the Group going concern assessment in note 2 to the consolidated financial statements). The particular accounting policies adopted by the Company are described below.

Results of the Company

As permitted by Section 408(3) of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these accounts. The Parent Company's loss after taxation, for the financial year amounted to £3,198,000 (2014: loss £974,000).

Cash Flow Statement

The cash flows of the Company are included in the consolidated cash flow statement of Access Intelligence Plc which is included in this Annual Report. Consequently, the Company is exempt under the terms of FRS 1 (Revised) from publishing a cash flow statement.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment - 3 to 5 years
Leasehold improvements - over the lease term

Share-based payments

The fair value of equity-settled share-based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares or options that will eventually vest. In the case of options granted, fair value is measured by the Black-Scholes option pricing model. Further details are set out in note 25 of the consolidated statements.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Intangible assets

Research and development expenditure

Expenditure identified as development expenditure being costs incurred on clearly defined unique projects whose outcome can be assessed with reasonable certainty and which are expected to lead to new products and revenue streams is measured at cost less accumulated amortisation and accumulated impairment losses. Where development expenditure does not meet these requirements then it is recognised as an expense in the period it is incurred.

Amortisation will be calculated so as to write off the cost of an asset over the useful economic life of that asset. In 2015 there was one (2014; one) main capitalised development project. The directors assess the useful life of the current capitalised development projects to be 3 years.

Software licences

Software licences include software that is not integral to a related item of hardware. These items are stated at cost less accumulated amortisation and any impairment. Amortisation is calculated on a straight line basis over the estimated useful economic life. Although perpetual licences are maintained under support and maintenance agreements, a useful economic life of 5 years has been determined.

Impairment

The Company evaluates its financial assets for financial impairment where events or circumstances indicate that the carrying amount of such assets may not be fully recoverable. When such evaluations indicate that the carrying value of an asset exceeds its recoverable value, the impairment loss is recognised in the profit and loss account. The same approach is applied to group goodwill impairment testing as is described in note 15 of the consolidated Group financial statements.

Taxation

Current tax is the tax currently payable based on taxable profits for the year. Due to losses no current taxation will be payable by the Company and the losses will be made available for Group relief or be available for carry forward for offset against future profits of the same trade.

Deferred taxation is recognised on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that they are regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Convertible loan notes

The component parts of compound instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, in the case of a convertible bond denominated in the functional currency of the issuer that may be converted into a fixed number of equity shares, the fair value of the liability component is estimated at the present value of the stream of future cash flows (including both coupon payments and redemption) discounted at the market rate of interest that would have been applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion option. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity and is not subsequently re-measured.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based upon their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

Revenue

Revenue represents the amounts derived from the provision of goods and services, stated net of Value Added Tax. The methodology applied to income recognition is dependent upon the goods or services being supplied.

In respect of income relating to annual service contracts and/or hosted services which are invoiced in advance, it is the Company's policy to spread the income of each contract equally over the contract's life. The full value of each sale is credited to deferred revenue when invoiced to be released to the statement of comprehensive income in equal instalments over the contract period.

Revenues from the delivery of infrastructure are recognised on installation with associated training and consultancy fees recognised when specified contractual milestones are met or on project completion. In the event that these services are invoiced in advance they will be credited to deferred revenue and released to the profit and loss account once delivered.

Income from the sale of licences is recognisable in full at the date of sale.

Revenue arising from management of the subsidiary undertakings is recognised on an accruals basis.

2. Tangible fixed assets

	Fixtures fittings and equipment £'000	Leasehold improvements £'000	Total £'000
Cost			
At 1 December 2014	353	87	440
Additions	10	-	10
Disposals	(101)	(22)	(123)
At 30 November 2015	262	65	327
Depreciation			
At 1 December 2013	202	17	219
Charge for the year	72	11	83
Depreciation on disposal	(44)	(9)	(53)
At 30 November 2015	230	19	249
Net Book Value			
At 30 November 2015	32	46	78
At 30 November 2014	151	70	221

3. Investments

	Investment in subsidiary undertakings £'000
Cost	
At 1 December 2014	15,754
Additions	12
Disposals	(1,238)
At 30 November 2015	14,528
Impairment	
At 1 December 2014	9,510
Impairment charge	497
At 30 November 2015	10,007
Net Book Value	
At 30 November 2015	4,521
At 30 November 2014	6,244

Additions in the year comprise a capital contribution for the Company's obligation to settle share options on behalf of subsidiaries as well as the cost of acquiring the issued share capital of AIMediaData Ltd.

At 30 November 2015 the Company was the beneficial owner of the entire issued share capital and controlled all the votes of its subsidiaries, all of which are incorporated in England and Wales. The trading subsidiaries are set out below:

Subsidiary	Activity	Share type	% holding
Due North Ltd (Held for sale at 30 November 2015)	Software development	Ordinary	100%
Access Intelligence Media & Communications Ltd	Software development	Ordinary	100%
AITrackRecord Ltd (formerly Management Services 2000 Ltd)	Software development	Ordinary	100%
AI Talent Ltd (formerly Cobent Ltd)	Software development	Ordinary	100%
AIMediaData Ltd	Software development	Ordinary	100%

4. Intangible assets

	Development costs £'000	Software licence £'000	TOTAL £'000
Cost			
At 1 December 2014	140	120	260
Additions	158	7	165
At 30 November 2015	298	127	425
Depreciation			
At 1 December 2014	111	64	175
Impairment	177	-	177
Charge for the year	7	25	32
At 30 November 2015	295	89	384
Net Book Value			
At 30 November 2015	3	38	41
At 30 November 2014	29	56	85

See note 15 of the consolidated financial statements for further details of the impairment.

5. Debtors

	2015 £'000	2014 £'000
Trade debtors	217	207
Amounts due from group undertakings	5,072	2,166
Deferred taxation	330	338
Prepayments and other debtors	279	272
	5,898	2,983

6. Creditors due within one year

	2015 £'000	2014 £'000
Amounts due to group undertakings	5,282	5,132
Trade creditors	347	248
Other taxes and social security	57	302
Accruals and other creditors	400	313
Convertible loan notes	1,277	-
Deferred income	383	356
	7,746	6,351

7. Creditors: due after more than one year

	2015 £'000	2014 £'000
Convertible loan notes	1,009	1,301
Non-convertible loan notes	1,830	-
	2,839	1,301

See note 19 of the consolidated financial statements for further details.

8. Share capital

See note 24 of the consolidated financial statements for further details.

9. Equity-settled share-based payments

See note 25 of the consolidated financial statements for further details.

10. Reserves

	Share capital £'000	Treasury shares £'000	Share option reserve £'000	Equity reserve £'000	Share premium £'000	Capital redemption £'000	Profit and loss £'000	Total £'000
At 1 December 2013	1,324	(148)	319	126	224	191	721	2,757
Opening reserve transfer	-	-	12	-	-	-	(12)	-
Loss retained for the year	-	-	-	-	-	-	(777)	(777)
Share based payments	-	-	36	-	-	-	-	36
Tax on share based payments	-	-	(29)	-	-	-	-	(29)
At 30 November 2014	1,324	(148)	338	126	224	191	(68)	1,987

	Share capital £'000	Treasury shares £'000	Share option reserve £'000	Equity reserve £'000	Share premium £'000	Capital redemption £'000	Profit and loss £'000	Total £'000
At 1 December 2014	1,324	(148)	338	126	224	191	(68)	1,987
Opening reserve transfer	-	-	-	-	-	-	-	-
Loss retained for the year	-	-	-	-	-	-	(3,198)	(3,198)
Shares issued in the year	211	-	-	-	-	-	-	211
Share premium on issue	-	-	-	-	1,047	-	-	1,047
Dividends paid	-	-	-	-	-	-	-	-
Share based payments	-	-	26	-	-	-	-	26
Equity component of convertible loan notes	-	-	-	129	-	-	-	129
Tax on share based payments	-	-	-	-	-	-	-	-
At 30 November 2015	1,535	(148)	364	255	1,271	191	(3,266)	202

11. Reconciliation of movement in equity shareholders' funds

	2015 £'000	2014 £'000
Opening shareholders' funds	1,987	2,757
Loss for the financial year	(3,198)	(777)
Shares issued in the year	211	-
Share premium on shares issued in year	1,047	-
Share based payment	26	36
Equity component of convertible loan notes	129	-
Tax credit relating to share-based payments	-	(29)
Closing shareholders' funds	202	1,987

12. Commitments

Capital Commitments

The Company had no capital commitments at the end of the financial year or prior year.

Operating lease commitments

At 30 November 2015, the Company was committed to making the following payments during the next year respect of operating leases for land and buildings expiring:

	Land and buildings 2015 £'000	2014 £'000
Amounts payable within 1 year	16	-
Payable between 2-5 years	-	160
Over 5 years	110	99

Provisions and contingent liabilities

	Onerous contracts £'000	Legal Disputes £'000
At 1 December 2015	40	-
Charged to profit or loss	32	100
Released in year	(25)	-
At 30 November 2015	47	100
Due within one year or less	47	100
Due after more than one year	-	-
	47	100

See note 27 of the consolidated financial statements for further details.

13. Related party transactions

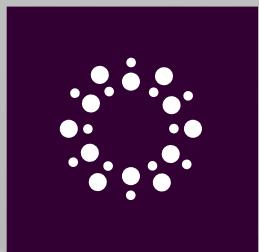
The Company has taken the exemption available not to disclose transactions with wholly owned subsidiaries. See note 28 of the consolidated financial statements for details of other related party transactions.

14. Events after the balance sheet date

See note 30 of the consolidated financial statements for further details.

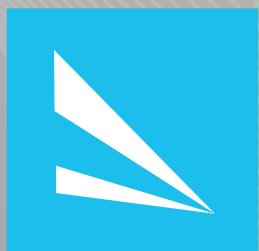
Notes

Access Intelligence Reputation and Risk Management Solutions



Vuelio

PR, Public Affairs and Reputation Management



AIControlPoint

Incident and Crisis Management



AITrackRecord

Training, Competence and Employee Performance Management

Access Intelligence

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