

3 September 2020

Dods Group plc

("Dods", the "Company" or the "Group")

AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2020

Dods Group plc (AIM: DODS), a leading technology company specialising in business intelligence, media and technology resourcing, announces its audited results for the year ended 31 March 2020. The Group continues to enhance the business with a strengthened new Board and senior management team.

Highlights

- Revenue from continuing operations increased by 30% to £27.8 million (2019: £21.3 million), including impact from Merit acquisition
- Gross profit increased by c. 13% to £8.9 million (2019: £7.9 million)
- Adjusted EBITDA improvement from £1.5 million in 2019 to £2.8 million in 2020
- Adjusted Operating Profit increased from £0.6 million (2019) to £0.9 million in 2020
- Loss before tax for the year reduced from £5.7 million (2019) to £1.3 million
- Adjusted EPS from continuing operations of 0.12 pence (2019: 0.12 pence loss)
- Cash balance at year end of £4.4 million and agreed revised banking arrangements to ensure Dods can manage its way through the impacts of COVID-19
- Successful acquisition and integration of Merit and subsequent restructure of core business
- Appointment post period end of Con Conlon and Munira Ibrahim as Managing Directors of Dods Technology and Dods Intelligence respectively
- The Board is not issuing guidance due to ongoing uncertainty caused by COVID-19, although remains optimistic that the Group's strategy is capable of sustainable profit streams in the medium to longer term

Operational and Trading Update

The year to 31 March 2020 saw significant improvement in our performance, with total losses for the year reducing from £5.5 million in 2019 to £1.2 million in 2020 and Adjusted EBITDA improving from £1.5 million (2019) to £2.8 million.

Across the organisation we have had a completely new management team in place from Q1 this year, which brings extensive expertise in technology, sales, media and financial management. Commercially focused and "hands on" in all areas of operations, the team is also developing a clear strategic plan that aims to take the business to a position which is more technology orientated and is characterised by best-in-class products, increased recurring revenue and stronger margins.

Key operational updates in the year include:

- The integration of Merit into Dods has been completed smoothly and with all the cost synergies envisaged now delivered.
- The Merit team is now helping to drive the development of a new set of products across Dods in the political and regulatory domain.

- The original core business, Dods Intelligence, is being restructured to deliver revenue which is more likely to be of a recurring nature and deliver higher margins.
- Our political monitoring service is now seeing renewal rates of 95% and an increasing number of clients.
- We are successfully pivoting many of our live events to a virtual format.
- Merit revenue grew by over 15% in the year including double digit growth in technical resourcing services. 90% of Merit revenue was recurring.
- We continue to develop new tools and capabilities in all fields of data collection and data transformation using machine learning and AI tool sets. We are also negotiating several new channel partner deals across Europe to help distribute content and generate additional revenue.

COVID-19 will of course have an adverse impact on both revenue and profits in the year to 2021. Our events business will be particularly hard hit, but our strong recurring revenues in Political Business Intelligence and in Merit are proving to be very resilient. The new management team have been aggressively reducing our cost base to make the business much leaner, whilst we make modest, but important investments in marketing, product development and technology research. We are confident that these actions will drive strong growth and enhanced margins in subsequent years.

Going Concern

The Directors have considered the implications for Going Concern for a period of at least twelve months from the signing of these accounts. The Board remains satisfied with the Company's funding and liquidity position as discussed further in note 1 of the group financial statements.

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

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

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Dods Group plc

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About Dods Group

Dods is a leading technology company specialising in business intelligence, media and technology resourcing. With extensive capability in machine learning and AI, we manage and transform large volumes of data and information across multiple industries, for some of the UK's leading business intelligence providers. In the political and regulatory domains, we have built a reputation for high quality, unbiased content across all of our products and services in Westminster, Edinburgh, Paris and Brussels.

Strategic report

For the year ended 31 March 2020

Chairman's statement

It is with great sadness that I report the passing of our former Chairman, David Hammond, on the 18 June 2020. David was appointed as Non-Executive Chairman on 1 August 2018 and then Executive Chairman on 22 January 2020. David was always extremely encouraging to other Board members, senior management and staff alike, with a great eye for detail and sharp intellect. His contribution to the Group has been significant, and he will be greatly missed. It was under these regrettable circumstances that I was appointed Interim Non-Executive Chairman of the Company.

2020 Financial Year

With the inclusion of approximately 8.5 months' of Merit results, the Group's revenue from continuing operations increased by 30% to £27.8 million (2019: £21.3 million) and gross profit increased by 13% to £8.9 million (2019: £7.9 million).

The 2019 Chairman's statement outlined an ongoing strategic review of the business and a focus on a strategy that seeks to deliver growth by increasing average client spend, pivoting away from policy dependent products, raising operating margins through increased commercialisation of the Group's proprietary data and enhancing its existing portfolio. The Group continues to progress this strategy and continues to seek to simplify and strengthen its core business to deliver sustainable shareholder value in the long term.

During the year, the Group strengthened its leadership team, including the appointment of a Chief Information Officer, Chief Revenue Officer and a new Chief Financial Officer.

As outlined in the trading update issued on 22 January 2020, the uncertain political and economic environment during the 2020 financial year, which included a December General Election, adversely impacted the Group's publishing, events and training businesses. Further to this, the COVID-19 virus had a detrimental impact on the last month of Group results, particularly on the Group's events and training businesses.

Significant Acquisition

On 18 July 2019, Dods successfully completed its acquisition of Meritgroup Limited ("Merit"). The Board believes that this acquisition will be a transformational deal for the Group and will enable it to diversify its service offering into faster growing, higher margin activities.

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

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

The integration of Merit was successfully completed during the 2020 financial year.

Board Changes

Following the appointment of new senior management to the Group and the successful integration of Merit, Simon Presswell stepped down as Director and Group Chief Executive Officer on 22 January 2020.

On 24 February 2020, the Group's Chief Financial Officer, Nitil Patel, stepped down as Director of the Company. Subsequent to this, on 30 March 2020 Simon Bullock was appointed as Nitil Patel's replacement as Chief Financial Officer. Simon Bullock was appointed to the Dods Group plc Board on 1 June 2020.

On 1 June 2020, it was also announced that:

- Cornelius Conlon, the Group's Chief Technology Officer, would take up the position of Managing Director, Dods Technology
- Munira Ibrahim, the Group's Chief Revenue Officer, would take up the position of Managing Director, Dods Intelligence.

Both Cornelius Conlon and Munira Ibrahim were also appointed to the Dods Group plc Board on 1 July 2020.

Outlook

The Group has made great progress in the year to 31 March 2020 in terms of its expanded revenues and reduced losses. We have successfully integrated an enormous amount of technology talent at Merit and the new management team put in place earlier this year are running the business successfully and implementing a strategy that will ensure the Group has sustainable revenue streams in the medium to long term.

Dods has leading experience, knowledge and understanding developed over the decades in the political, regulatory and civil service landscape of the UK and Europe. Merit is one of the UK's leading providers of data collection, curation and data transformation services for the business information industry.

We believe that this combination will make Dods an invaluable partner for global organisations who operate and trade under both UK and EU regulatory environments driving revenue growth and profits in the coming years.

The emergence of COVID-19 has lent uncertainty to our core markets and the Board at this stage cannot predict the medium to long-term effects of pandemic, and therefore does not expect to be able to issue any forward looking statements or guidance for the foreseeable future.

Our bank has been very supportive and agreement has been reached with them that provides us with the cash resources we need in the medium term.

I should acknowledge the dedication and commitment of our employees who have been fantastic in these difficult times, and with their continued help we will emerge stronger in the future. Finally, I would like to thank our shareholders and customers for their loyalty and continued support.

Mark Smith

Interim Non-Executive Chairman

CFO Review

Despite 2020 being a challenging year reflecting both the uncertain political and economic environment as well as the impact of COVID-19 in Q4, the successful acquisition of Merit in July 2019 resulted in an increase in Group revenue. In line with Board expectations, the Group was impacted by a decrease in Dods Intelligence business revenue, reflecting the conditions outlined above. However, as mentioned previously the Group is prioritising a strategy that seeks to deliver growth by increasing average client spend, pivoting away from policy dependent products, raising operating margins through increased commercialisation of the Group's proprietary data and enhancing its existing portfolio. As we continue to advise, inform and connect businesses in the political and policy environment, we will be looking to upgrade our digital offering in our Business Intelligence products. The Group continues to reduce its reliance on print and advertising as it replaces these revenue sources with more reliable, recurring revenue streams, including increasing our subscription-based revenues and multi-year contracts.

On 18 July 2019, Dods successfully completed its acquisition of Merit. The acquisition was paid for through a mixture of cash and new ordinary shares in the Company. A capital fundraise of £13 million and a new £5 million debt facility were entered into to fund the cash component of the acquisition.

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

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

Adjusted operating profit

	2020	2019
	£'000	£'000
Operating loss before tax	(862)	(5,776)
Impairment expense – investment in equity accounted associate	-	1,231
Impairment expense – intangible assets	-	259
Increased amortisation of software intangible assets	-	1,230
Amortisation of intangible assets acquired through business combinations	711	351
Non-recurring acquisition costs and professional fees	171	2,239
Other non-recurring items	865	1,029
Adjusted Operating Profit	885	563

Revenue and operating results

With the inclusion of approximately 8.5 months' of Merit results, the Group's revenue from continuing operations increased by 30% to £27.8 million (2019: £21.3 million) and gross profit increased by 13% to £8.9 million (2019: £7.9 million).

Gross margin decreased from 37% to 32% in the year. The decrease in gross margin was largely due to a change in product mix following the addition of Merit during the year. The Group has adopted IFRS 16 Leases effective 1 April 2019 and as a result, operating lease charges previously included within administrative costs are now included as right-of-use depreciation and lease interest charges. The impact of this has been a decrease of approximately £1.6 million to administrative costs.

Adjusted EBITDA increased to £2.8 million (2019: £1.5 million), largely impacted by the IFRS 16 changes outlined above. Operating loss was £0.9 million (2019: loss of £5.8 million), after non-cash items including an amortisation charge of £0.7 million (2019: £0.4 million) for business combinations and a charge of £0.2 million (2019: £1.8 million) for intangible software assets. The depreciation charge in the year increased slightly to £0.5 million (2019: £0.4 million) and a right-of-use depreciation charge of £1.2m (2019: £nil) was booked in relation to IFRS 16. For the prior year, the increased amortisation charge for software intangibles reflects the strategic review carried out by the new Board on the useful economic life of the software platform developed in-house by the Group. Non-recurring acquisition related costs, impairment expense, people-related costs and other costs were £1.0 million (2019: £4.8 million). This decrease is principally a result of the fact that the prior year included £2.3m of acquisition costs as well as £1.5 million of impairment charges.

The statutory loss before tax for the year was £1.3 million (2019: loss before tax of £5.7 million).

Taxation

The Group has booked a tax credit of £0.1 million for the year (2019: credit of £0.2 million).

Earnings per share

Adjusted earnings per share, both basic and diluted, from continuing operations in the year were 0.12 pence (2019: loss of 0.12 pence) and were based on the adjusted profit for the year of £0.6 million (2019: loss of £0.4 million) with a basic weighted average number of shares in issue during the year of 492,696,964 (2019: 341,640,953).

Earnings per share, both basic and diluted, from continuing operations in the year were a loss of 0.24 pence (2019: loss of 1.62 pence) and were based on the net loss for the year of £1.2 million (2019: loss of £5.5 million).

Dividend

The Board is not proposing a dividend at this time (2019: £nil).

Assets

Non-current assets consisted of goodwill of £28.9 million (2019: £13.3 million), intangible assets of £11.2 million (2019: £6.4 million) and property, plant and equipment of £2.1 million (2019: £2.1 million). The increases to goodwill and intangible assets reflect the acquisition of Merit during the year. The Group, since February 2017, has held a 40% stake in the issued share capital of Sans Frontières Associates (SFA) and has loaned SFA £0.5 million (2019: £0.7 million) at the year end, the movement reflecting part-repayment during the year. The loan is unsecured and carries no interest charge. The carrying value of this investment increased to £0.2 million during the year (2019: £nil) reflecting the Group's share of profit for the year. Additionally, the Group has held a 30% stake in Social 360 since November 2017 which it carries at £0.5 million (2019: £0.5 million).

As mentioned previously, the Group has adopted IFRS 16 *Leases* effective 1 April 2019. As a result, operating leases have been recognised on balance sheet as right-of-use assets and lease liabilities. Under the modified retrospective approach the Group has not restated prior periods. The impact has been to increase non-current assets by £7.9 million (2019: £nil) at the balance sheet date.

Trade and other receivables increased by £4.2 million to £7.8 million (2019: £3.6 million) as a result of the Merit acquisition. Included in prepayments is an amount of £0.8 million due in cash to certain former shareholders of Merit. The corresponding amount is in current and non-current liabilities as other payables.

Liabilities

Current liabilities increased by £6.5 million to £18.0 million (2019: £11.5 million) as a result of the Merit acquisition (including deferred consideration), the current component of the lease liability arising on the adoption of IFRS 16 and the impact of the current component of the bank loan. The increase is partly offset by the decrease in accruals relating to acquisition costs (2019: £1.5 million).

The £0.9 million (2019: £0.5 million) deferred tax liability balance reflects a £0.7 million increase arising from the acquisition of Merit, offset by a credit booked in the deferred tax liability of £0.3 million (2019: £0.3 million). In FY20, non-current liabilities also reflect the non-current component of the lease liability and amounts recognised in relation to the acquisition which are payable in both shares and cash to certain Merit vendors.

Capital and Reserves

Total assets of the Group were £63.9 million (2019: £35.0 million) with the main movements being the additions to intangibles and other assets associated with the Merit acquisition. Total equity increased by £12.8 million to £35.8 million (2019: £23.0 million), largely reflecting issue of shares in July 2019, partly offset by the loss for the year.

Liquidity and capital resources

During the year, the Group borrowed a term loan of £3.0 million (2019: £nil) over a 5-year period carrying a rate of 3.25% over LIBOR. The full amount outstanding at year end. In addition, the Group also drew down on a revolving credit facility (RCF) during the year of £2.0 million. This RCF balance was repaid subsequently and at balance sheet date the outstanding amount was £nil (2019: £nil).

The Group has a cash and cash equivalents balance of £4.4 million (2019: £8.4 million) and a net cash position of £1.4 million (2019: £8.4 million).

Updated banking facilities and covenant waiver

During the year end audit process, the Group became aware of a change in a contractual obligation that existed as at 31 March 2020 that caused it to be in breach of one of its three banking covenants.

The Group has secured a waiver from the bank for this breach; however, because the waiver was not in place as at the balance sheet date the entire £3 million loan balance has been classified as current in these financial statements. The Group expects the £3 million loan balance to be classified as a long term liability in its interim result balance sheet on 30 September 2020.

In the 12 month period from the balance sheet date capital repayments of £0.4 million will be repaid to the bank with the remaining £2.6 million due in subsequent periods. The group continues to enjoy the support of Barclays Bank plc and agreement has been reached on new covenants to support the Group in 2021.

Principal risks and uncertainties

Risks	Mitigating Actions	Opportunity
Geo-political Brexit negotiations, global political tensions and potential trade issues with the major trading blocs could cause uncertain economic conditions	Dods continues to focus on growing a diverse range of customers, in different markets, which helps to mitigate this risk.	To be well positioned with a balanced portfolio of customers and markets.
Technology changes The markets in which Dods operates are constantly changing due to rapid technology advancements	Constant focus on efficiency programmes in service delivery platforms and increasing the quality of our content.	As volume of information grows, and becomes more readily available, there is a greater need for users to receive the type of curated information provided by Dods.
Further migration of print advertising to online An industry wide change	Dods continues to invest and develop in digital expertise and platforms.	Further capitalise on our diverse brand portfolio.
People Succession planning	Increased our talent and leadership capacity with key hires.	We are implementing key employee engagement programmes.
Data storage/cyber attack Loss, integrity and breach of data	Effective data management detailing where all business data is stored and how, together with ISO27001 Information Security Management System containing these controls. Intrusion detection monitoring software exists on our network.	As part of implementing GDPR we are reviewing data stores, security, processes and procedures and continue to monitor on an ongoing basis.
GDPR Stricter rules on how data is handled	Delegated Limits of Authority, setting out requirements for approval and execution of legally binding documents (limits set by value and legal risk).	Cleansing of data, new procedures and more effective marketing should benefit Dods in the long term.
COVID-19 and other pandemics Impact on face-to-face events and training business, as well as more general macroeconomic impacts.	Remote working for employees; deferral of statutory payments where allowable; accessing the government furlough scheme; the agreement of a covenant and loan repayment holiday with the Group's bankers; a reduction in Board and senior management remuneration; a roll out of online delivery capabilities for our training and events businesses; and various other strategic and operational actions.	
	It is not considered appropriate to comment on opportunities arising.	

Simon Bullock
Chief Financial Officer

Annual General Meeting

The Annual General Meeting of the Company will be held on 29 September 2020 at the office of Dods Group plc in London, at which the directors will present their annual report together with the audited financial statements of Dods Group plc (the "Company") and its subsidiaries (together, the "Group") for the 12 months ended 31 March 2020. The Notice of Meeting and Explanation of Special Business will be provided in the annual report and accounts.

Financial statements

Basis of Preparation

The financial information, which comprises the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated cash flow statement, consolidated statement of changes in equity and related notes, does not constitute full accounts within the meaning of s435 (1) and (2) of the Companies Act 2006. The auditors have reported on the Group's statutory accounts for the each of the years ended 31 March 2020 and 2019 which do not contain any statement under s498 of the Companies Act 2006 and are unqualified. The statutory accounts for the year ended 31 March 2019 have been delivered to the Registrar of Companies and the statutory accounts for the year ended 31 March 2020 will be filed with the registrar in due course.

Consolidated income statement For the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Revenue	3	27,796	21,301
Cost of sales		(18,852)	(13,419)
Gross profit		8,944	7,882
Administrative expenses		(6,154)	(6,381)
Other operating income	4	-	-
Adjusted EBITDA		2,790	1,501
Depreciation of tangible fixed assets	15	(537)	(379)
Depreciation of right-of-use assets	25	(1,210)	-
Amortisation of intangible assets acquired through business combinations	14	(711)	(351)
Amortisation of software intangible assets	14	(158)	(1,789)
Non-recurring items	5		
Non-recurring acquisition costs and professional fees		(171)	(2,239)
Impairment expense – investment in equity accounted associate		-	(1,231)
Impairment expense – intangible assets		-	(259)
People-related costs		(785)	(332)
Other non-recurring items		(80)	(697)
Operating loss		(862)	(5,776)
Net finance costs	9,10	(555)	-
Share of profit of associate	17	158	50
Loss before tax	6	(1,259)	(5,726)
Income tax credit	11	76	197
Loss for the year		(1,183)	(5,529)

Loss per share (pence)			
Basic	12	(0.24p)	(1.62p)
Diluted	12	(0.24p)	(1.62p)

Consolidated statement of comprehensive income

For the year ended 31 March 2020

	2020	2019
	£'000	£'000
Loss for the year	(1,183)	(5,529)
Items that may be subsequently reclassified to Profit and loss		
Exchange differences on translation of foreign operations	6	(8)
Other comprehensive income / (loss) for the year	6	(8)
Total comprehensive loss for the year	(1,177)	(5,537)

Consolidated statement of financial position

As at 31 March 2020

	Note	2020	2019
		£'000	£'000
Non-current assets			
Goodwill	13	28,911	13,282
Intangible assets	14	11,238	6,421
Property, plant and equipment	15	2,134	2,063
Right-of-use asset	25	7,926	-
Investment in associates	17	661	503
Long-term loan receivable	17	560	700
Total non-current assets		51,430	22,969
Current assets			
Work in progress and inventories	18	273	16
Trade and other receivables	20	7,819	3,584
Cash and cash equivalents	20	4,368	7,160
Restricted cash held in deposit account	20	-	1,266
Total current assets		12,460	12,026
Total assets		63,890	34,995
Capital and reserves			
Issued capital	24	19,239	17,096
Share premium		20,082	8,142
Other reserves		409	409
Retained loss		(3,991)	(2,616)
Share option reserve		75	55
Translation reserve		(61)	(67)
Total equity		35,753	23,019

Current liabilities

Trade and other payables	21	12,423	11,489
Deferred consideration	16	1,046	-
Bank loan	22	3,000	-
Lease liability	25	1,515	-
Total current liabilities		17,984	11,489

Non-current liabilities

Deferred tax liability	23	862	487
Deferred consideration	16	1,045	-
Other payables	21	545	-
Lease liability	25	7,701	-
Total non-current liabilities		10,153	487

Total equity and liabilities		63,890	34,995
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These financial statements were approved by the Board of Directors and were signed on its behalf by:

Simon Bullock
Chief Financial Officer
2 September 2020

Consolidated statement of changes in equity
For the year ended 31 March 2020

	Share capital £'000	Share premium reserve ¹ £'000	Merger reserve ² £'000	Retained earnings £'000	Translation reserve ³ £'000	Share option reserve ⁴ £'000	Total shareholders' funds £'000
At 1 April 2018	17,096	8,142	409	2,913	(59)	44	28,545
Total comprehensive income							
Loss for the year	-	-	-	(5,529)	-	-	(5,529)
Other comprehensive income							
Currency translation differences	-	-	-	-	(8)	-	(8)
Share-based payment	-	-	-	-	-	11	11
At 31 March 2019	17,096	8,142	409	(2,616)	(67)	55	23,019
Effect of adoption of IFRS 16 <i>Leases (see note 25)</i>	-	-	-	(192)	-	-	(192)
At 1 April 2019 (adjusted)	17,096	8,142	409	(2,808)	(67)	55	22,827
Total comprehensive income							
Loss for the year	-	-	-	(1,183)	-	-	(1,183)
Other comprehensive loss							
Currency translation differences	-	-	-	-	6	-	6
Share-based payment	-	-	-	-	-	20	20
Transactions with owners							
Issue of ordinary shares	2,143	11,940	-	-	-	-	14,083
At 31 March 2020	19,239	20,082	409	(3,991)	(61)	75	35,753

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

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

3 The translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into sterling.

4 The share option reserve represents the cumulative expense recognised in relation to equity-settled share-based payments.

Consolidated statement of cash flows
For the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Loss for the year		(1,183)	(5,529)
Depreciation of property, plant and equipment	15	537	379
Depreciation of right-of-use assets	25	1,210	-
Amortisation of intangible assets acquired through business combinations	14	711	351
Amortisation of other intangible assets	14	158	1,789
Impairment charges	5	-	1,490
Share-based payments charge	26	20	11
Share of profit of associate	17	(158)	(50)
Lease interest expense	25	420	-
Net finance costs	9,10	135	-
Non-recurring acquisition costs and professional fees		2,010	400
Income tax credit	11	(76)	(197)
Operating cash flows before movement in working capital		3,784	(1,356)
Change in inventories	18	(257)	(4)
Change in trade and other receivables		(1,013)	(114)
Change in trade and other payables		(282)	2,337
Cash generated by operations		2,232	863
Taxation paid		(193)	(166)
Net cash from operating activities		2,039	697
Cash flows from investing activities			
Interest and similar income received	9	5	12
Non-recurring acquisition costs and professional fees		(2,010)	(400)
Additions to property, plant and equipment	15	(187)	(115)
Additions to intangible assets	14	(1,400)	(512)
Investment in subsidiaries (net of cash acquired)	16	(17,055)	-
Net proceeds from bank loan	22	3,000	-
Repayment of long-term loan by associate	17	140	-
Net cash used in investing activities		(17,507)	(1,015)
Cash flows from financing activities			
Proceeds from issue of share capital		13,037	-
Interest and similar expenses paid	10	(140)	(12)
Payment of lease liabilities		(1,487)	-
Net cash used in financing activities		11,410	(12)
Net decrease in cash and cash equivalents		(4,058)	(330)
Opening cash and cash equivalents		8,426	8,757
Effect of exchange rate fluctuations on cash held		-	(1)
Closing cash at bank		4,368	8,426
Comprised of:			
Cash and cash equivalents		4,368	7,160
Restricted cash held in deposit account		-	1,266
Closing cash at bank	20	4,368	8,426

Notes to the consolidated financial statements

For the year ended 31 March 2020

1. Statement of significant accounting policies and judgements

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

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

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

The accounting policies set out below have, unless otherwise stated, or as outlined in the 'Standards adopted' section below, been applied consistently to all periods presented in these Group financial statements.

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

Standards adopted

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2019 that have had a material impact on the Group, with the exception of IFRS 16 *Leases*, which was adopted by the Group for the year.

• IFRS 16 *Leases* (effective periods beginning on or after 1 January 2019); IFRS 16 replaces IAS 17 *Leases* and eliminates the classification of operating and finance leases. Under the standard a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has elected to apply the practical expedient not to reassess whether a contract is, or contains, a lease for all lease contracts in place prior to 1 April 2019. The Group has applied the definition of a lease and related guidance as stated in IFRS 16 to all lease contracts entered into or modified after 1 April 2019.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease component based on their relative stand-alone prices. The Group has elected to account for leases of real estate as a single lease component.

Leases under the new standard are recognised in the Statement of financial position as right-of-use assets with a corresponding lease liability. The lease liability is initially measured at the present value of the remaining lease payments, discounted using the discount rate implicit to the lease. If this rate cannot be readily determined, the Group's incremental borrowing rate will be used. The lease liability is subsequently increased by the related interest expense and decreased by the lease payments made. The lease liability can be remeasured to reflect changes in the lease term or change in future lease payments. The lease liability includes the following payments, when applicable:

- Fixed lease payments;
- Variable lease payments based on an index or rate;
- Amounts to be paid under residual value guarantees;
- The exercise price of a purchase option, if the Group is reasonably certain to exercise the option; and
- Payments of penalties for terminating the lease, if the Group is reasonably certain to exercise the option

Right-of-use assets are measured at the value of the associated lease liability plus any initial direct costs incurred, adjusted for any prepaid or accrued lease payments. The right-of-use asset is initially recognised at cost, and subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets comprise the following, when applicable:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date;
- Any initial direct costs; and
- Restoration costs

Leases which meet the criteria of "short-term" or "low-value assets" are exempt and continue to be recognised under IAS 17 *Leases*. The new standard does not substantially change how a lessor accounts for leases.

The Group has elected to apply the modified retrospective approach, with the cumulative effect of adopting the standard being recognised as an opening balance adjustment to retained earnings as at 1 April 2019. There have been no changes to prior year figures as a result of adoption. See note 25 for further information on the adoption of IFRS 16.

Basis of preparation

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

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

Fenman Limited
Total Politics Limited
Holyrood Communications Ltd

Going Concern

The Group had net current liabilities as at 31 March 2020 of £5.5 million (2019: net current assets of £0.5 million). The Directors have considered the implications for going concern below, for a period of at least twelve months from the signing of these accounts.

During the year end audit process, the Group became aware of a change in a contractual obligation that existed as at 31 March 2020 that meant that it was in breach of one of its three banking covenants.

The Group has secured a waiver from the bank for this breach; however, because the waiver was not in place as at the balance sheet date the entire £3 million loan balance has been classified as current in these financial statements. The Group expects the £3 million loan balance to be classified as long term liability in its interim result balance sheet on 30 September 2020.

In the 12 month period from the balance sheet date capital repayments of £0.4 million will be repaid to the bank with the remaining £2.6 million due in subsequent periods.

The Group continues to enjoy the support of Barclays Bank plc and agreement has been reached on new covenants to support the Group in 2021.

The Directors had approved the budget for the year ending 31 March 2021, under which they had assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities and had assessed the impact of them on the Group's cash flow, facilities and headroom within its future banking covenants. Subsequent to this, the impact of COVID-19 became apparent and as a result, the Group prepared an updated 3 year forecast, which has been adjusted to take account of the current trading environment. The Directors consider the forecasts to be reasonable. Based on this work, and in light of the mitigating actions undertaken by the Group to respond to the impact of COVID-19, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

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

Business combinations

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

The Group measures goodwill as the fair value of the consideration transferred (including the fair value of any previously-held equity interest in the acquiree) and the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities

assumed, all measured as at the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

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

Revenue recognition - sale of goods

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

Revenue on books or magazines provided for clients is recognised when the performance obligation has been satisfied, at the point of delivery, and the amount of revenue can be measured reliably.

Revenue recognition - sale of services

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

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

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

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

Leases

A contract contains a lease if the contract gives a right to control the use of an asset for a period of time in exchange for consideration. Leases which meet the criteria of "short-term," for which the lease term is less than 12 months, or "low-value assets" are exempt from IFRS 16. Lease payments associated with "short-term" and "low-value assets" are expensed on a straight-line basis over the life of the lease.

For all other leases, at the lease commencement date, a right-of-use asset and corresponding lease liability are recognised in the Statement of financial position. The lease liability is initially measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate. Right-of-use assets are measured at the value of the associated lease liability plus any initial direct costs incurred, adjusted for any prepaid or accrued lease payments. The right-of-use asset is initially recognised at cost, and subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The lease liability is increased by the interest cost and decreased by the lease payments made.

Post-retirement benefits - defined contribution

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

Share-based payment

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

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

Non-recurring items

Non-recurring items are items which in management's judgement need to be disclosed by virtue of their size, incidence or nature. Such items are included within the income statement line item to which they relate and are separately disclosed either in the notes to the consolidated financial statements or on the face of the consolidated income statement.

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

Taxation

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

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

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

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

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

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

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

Goodwill

Goodwill represents the difference between the cost of acquisition of a business and the fair value of identifiable assets, liabilities and contingent liabilities acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable. Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units and is tested annually for impairment. Any impairment is recognised immediately in profit or loss.

Intangible assets

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

Publishing rights	20-75 years (one specific right is deemed to have a useful economic life of 75 years)
Brand names	15-20 years
Customer relationships	1-8 years
Customer list	4-8 years

Order books	1 year
Other assets	1 year

Software which is not integral to a related item of hardware is included in intangible assets and amortised over its estimated useful lives of between 3-6 years. The salaries of staff employed in the development of new software relating to the Group's information services products, and salaries of staff employed in building our digital platform architecture within the Group are capitalised into software.

Impairment

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

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

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

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

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is provided to write off the cost less estimated residual value of property, plant and equipment by equal instalments over their estimated useful economic lives as follows:

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

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

Inventories

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

Cash

Cash includes cash on hand and in banks.

Restricted cash deposits amount to £nil (2019: £1,266,000). For the comparative, this balance related to a rental deposit held in the Group's name which was subject to a guarantee in favour of the landlord of the London premises of the Group.

Provisions

A provision is recognised on the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Financial assets, financial liabilities and equity instruments

Financial assets and financial transactions are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Foreign currencies

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

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

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the income statement for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period ended on the balance sheet date. Exchange rate differences arising, if any, are recognised directly in equity in the Group's translation reserve. Such translation differences are recognised as income or as expense in the income statement in the period in which the operation is disposed of.

Derivative financial instruments

All of the Group's derivatives are measured at their fair value at the end of each period. Derivatives that mature within one year are classified as current.

Associated companies

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

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

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

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

Gains and losses arising from partial disposals or dilutions in investments in associated companies are recognised in profit or loss. Investments in associated companies are derecognised when the Group loses significant influence.

Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained investment at the date when significant influence is lost and its fair value is recognised in profit or loss.

Financial assets

Loans and receivables

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

Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

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

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

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

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

Development of software

The salaries of staff employed in the development of new software within the Group have been capitalised into software, within other intangible assets. These development costs are then amortised over the estimated useful life of the software, being 3-6 years.

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

b) Intangible assets

When the Group makes an acquisition, management review the business and assets acquired to determine whether any intangible assets should be recognised separately from goodwill. If such an asset is identified, it is valued by discounting the probable future cash flows expected to be generated by the asset over the estimated life of the asset. Where there is uncertainty over the amount of economic benefit and the useful life, this is factored into the calculation. Judgements and estimations are also used by the Directors for the value in use calculation for impairment purposes of goodwill and other intangible assets. Details of goodwill and intangible assets are given in notes 13 and 14. Details of judgements and estimates in relation to impairment of goodwill are given in note 13.

c) Investments

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

d) Recoverability of trade receivables

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

e) Deferred tax

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

f) Classification of non-recurring costs and accrual of non-recurring acquisition costs

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

g) Recoverability of long-term loan receivable

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

h) Fair value of separately identifiable intangible assets in business combinations

The Group is required to calculate the fair value of identifiable assets and liabilities acquired in business combinations. In order to estimate the fair value of separately identifiable assets in business combinations certain assumptions must be made about the future. The fair values of assets and liabilities acquired in business combinations, including separately identifiable intangible assets, are disclosed in note 16.

i) Incremental borrowing rate

The Group uses an incremental borrowing rate to measure its lease liabilities under IFRS 16. This rate represents the Group's estimate of the rate it would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use lease asset in a similar economic environment. Observable inputs are adjusted for entity-specific estimates to arrive at the Group's incremental borrowing rate.

Adopted IFRS not yet applied

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards which have been published but are only effective for the Group's accounting periods beginning on or after 1 April 2020 or later periods. The Group has considered the new standards, interpretations and amendments to published standards that are effective for the Group and concluded that they are either not relevant to the Group or that they would not have a significant impact on the Group's financial statements. The Group continues to monitor the potential impact of other new standards and interpretations which may be endorsed by the European Union and may require adoption by the Group in future accounting periods.

3. Segmental information

The basis on which operating results are reviewed and resources allocated is examined from both a business and geographic perspective by the senior management team.

Business segments

The Group now considers that it has two operating business segments, Dods Intelligence and Dods Technology. Dods Intelligences' business segment concentrates on the provision of key information and insights into the political and public policy environments around the UK and the European Union. The Dods Technology segment focuses on the fields of data engineering, machine learning, and artificial intelligence.

The following table provides an analysis of the Group's segment revenue by business segment.

Revenue by business segment	2020 £'000	2019 £'000
Dods Intelligence	20,154	21,301
Dods Technology	7,642	-
	27,796	21,301

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

Geographical segments

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

Revenue by geographical segment	2020 £'000	2019 £'000
UK	22,179	16,183
Rest of world	5,617	5,118
	27,796	21,301

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

4. Other operating income

There was no other operating income for the current year or prior period.

5. Non-recurring items

	2020 £'000	2019 £'000
Non-recurring acquisition costs and professional fees	171	2,239
Impairment expense – investment in equity accounted associate	-	1,231
Impairment expense – intangible assets	-	259
People-related costs	785	332
Other		
- Branding and marketing	-	206
- Costs relating to ongoing strategic corporate review and initiatives	-	244
- Professional services and consultancy	45	211
- Other	35	36
	1,036	4,758

Non-recurring acquisition costs and professional fees reflect the costs incurred to date in line with the Group's acquisition strategy. On 18 July 2019, the Group acquired 100 percent of the share capital of Meritgroup Limited and its subsidiaries. For the prior year, as the proposed acquisition was substantially complete by the year end date, the Group had accrued all agreed acquisition costs.

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

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

Other non-recurring costs include branding and marketing expenses, costs relating to ongoing strategic corporate review and initiatives, various legal fees and one-off consultancy expenses.

6. Loss before tax

Loss before tax has been arrived at after charging:

	2020 £'000	2019 £'000
Depreciation of property, plant and equipment	537	379
Amortisation of intangible assets acquired through business combinations	711	351
Amortisation of other intangible assets	158	1,789
Staff costs (see note 8)	14,616	9,804
Non-recurring items (see note 5)	1,036	4,758
Net finance costs	555	-
Operating lease charge ¹	-	969

1 IFRS 16 Leases was adopted on 1 April 2019.

Auditor's remuneration	2020 £'000	2019 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	20	17
Fees payable to the Company's auditor and its associates for other services:		
- The audit of the Company's subsidiaries, pursuant to legislation	78	60
- Non-audit services in relation to IT program assurance	18	-
- Non-audit services in relation to corporate finance transactions	-	293
	116	370

7. Directors' remuneration

The remuneration of the directors of the Company for the years ended 31 March 2020 and 31 March 2019 is set out below:

		Salaries £	Committee Fees £	Pension contributions £	Other benefits £	Total £
Executive directors						
Dr David Hammond ¹	2020	86,525	5,000	-	-	91,525
Interim Executive Chairman ¹	2019	33,334	3,335	-	-	36,669
Simon Presswell ²	2020	265,000	-	30,000	1,963	296,963
Former Chief Executive Officer	2019	193,994	-	21,962	1,953	217,909
Nitil Patel ³	2020	180,000	-	20,000	785	200,785
Former Chief Financial Officer	2019	180,000	-	20,000	1,083	201,083
Guy Cleaver ⁴	2020	-	-	-	-	-
Former Chief Executive Officer	2019	-	-	-	86,889	86,889
Non-executive directors						
Richard Boon ⁵	2020	25,000	5,000	-	40,000	70,000
Non-Executive director	2019	15,625	3,125	-	-	18,750
Angela Entwistle ⁶	2020	25,000	5,000	-	-	30,000
Non-Executive director	2019	25,000	5,000	-	-	30,000
Diane Lees	2020	25,000	5,000	-	-	30,000
Non-Executive director	2019	25,000	2,500	-	-	27,500
Mark Smith	2020	45,000	10,000	-	-	55,000
Non-Executive director	2019	45,000	10,000	-	-	55,000
Cheryl C. Jones ⁷	2020	-	-	-	-	-
Former Chairman	2019	8,333	-	-	593	8,926
Total for 2020		651,525	30,000	50,000	42,748	774,273
Total for 2019		526,286	23,960	41,962	90,518	682,726

1 Served the role of non-executive chairman to 21 January 2020. Appointed interim executive chairman on 22 January 2020.

2 Resigned as a director on 22 January 2020. See also share-based payments – note 26.

3 Resigned as a director on 24 February 2020.

4 Resigned 29 November 2017. Included within 'Other benefits' is an amount of £nil (2019: £86,889) representing compensation for loss of office.

5 See also related party transactions – note 27.

6 The £30,000 (2019: £30,000) paid for the services of Angela Entwistle as a non-executive director is paid to Deacon Street Partners Limited.

7 Resigned 1 August 2018. See also related party transactions – note 27.

The current Directors and their interests in the share capital of the Company at 31 March 2020 are disclosed within the Directors' Report.

8. Staff costs

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

	2020 Number	2019 Number
Editorial and production staff	137	134
Sales and marketing staff	37	35
Managerial and administration staff	31	29
Technology and support staff	724	-
	929	198

The current year figure includes the impact of 8.5 months of Merit employees.

	2020 £'000	2019 £'000
Wages and salaries	13,049	8,674
Social security costs	1,376	1,033
Pension and other costs	171	86
Share-based payment charge	20	11
	14,616	9,804

9. Finance income

	2020 £'000	2019 £'000
Bank interest receivable	5	12

10. Finance costs

	2020 £'000	2019 £'000
Bank interest payable	117	-
Lease interest expense	420	-
Net foreign exchange losses	23	12
	560	12

11. Taxation

	2020 £'000	2019 £'000
Current tax		
Current tax on income for the year at 19% (2019: 19%)	-	-
Adjustments in respect of prior periods	(173)	37
	(173)	37
Overseas tax		
Current tax expense on income for the year	260	41

Total current tax expense	87	78
Deferred tax (see note 23)		
Origination and reversal of temporary differences	(150)	(120)
Effect of change in tax rate	142	13
Adjustments in respect of prior periods	(155)	(168)
Total deferred tax income	(163)	(275)
Total income tax charge / (credit)	(76)	(197)

The tax charge / (credit) for the year differs from the standard rate of corporation tax in the UK of 19% (2019: 19%). A reconciliation is provided in the table below:

	2020	2019
	£'000	£'000
Loss before tax	(1,259)	(5,726)
Notional tax credit at standard rate of 19% (2019: 19%)	(239)	(1,088)
Effects of:		
Expenses not deductible for tax purposes	23	840
Non-qualifying depreciation	88	272
Effect of deferred tax rate changes on realisation and recognition	142	13
Adjustments to tax charge in respect of prior periods	-	(27)
Research and development claim	-	-
Deferred tax not recognised	10	3
Utilisation of losses not provided for	-	(155)
Tax losses carried forward	52	7
Other	(152)	(62)
Total income tax charge / (credit)	(76)	(197)

12. Earnings per share

	2020	2019
	£'000	£'000
Loss attributable to shareholders	(1,183)	(5,529)
Add: non-recurring items	1,036	4,758
Add: amortisation of intangible assets acquired through business combinations	711	351
Add: net exchange losses	23	12
Add: share-based payment expense	20	11
Adjusted post-tax profit / (loss) attributable to shareholders	607	(397)

	2020 Ordinary shares	2019 Ordinary shares
Weighted average number of shares		
In issue during the year – basic	492,696,964	341,640,953
Adjustment for share options	1,674,500	1,067,375
In issue during the year – diluted	494,371,464	342,708,328

	2020 Pence per share	2019 Pence per share
Earnings per share – continuing operations		
Basic	(0.24)	(1.62)
Diluted	(0.24)	(1.62)
Adjusted earnings per share – continuing operations		
Basic	0.12	(0.12)
Diluted	0.12	(0.12)

13. Goodwill

	2020 £'000	2019 £'000
Cost and net book value		
Opening balance	13,282	13,282
Acquisition of subsidiary	15,629	-
Closing balance	28,911	13,282

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units (CGUs) that are expected to benefit from that business combination. Of the carrying amount of goodwill, £13.282 million has been allocated to the Dods CGU (2019: £13.282 million) and £15.629 million has been allocated to the Merit CGU (2019: £nil).

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

The Group assessed whether the carrying value of goodwill was supported by the discounted cash flow forecasts of the Group based on financial forecasts approved by management covering a three-year period, taking in to account both past performance and expectations for future market developments. Management estimates the discount rate using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to each separate business.

The impairment charge was £nil (2019: £nil).

CGU

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

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

- cash flows for 2020/21 were projected based on the forecast for 2020/21, using the budget as a base and sensitising in light of the current environment;
- cash flows for years ending 31 March 2022 to 2023 were projected based on the Group forecast for these two years, based on the current economic environment in respect of COVID-19. For years ending 31 March 2024 and 31 March 2025, cash flows were prepared using underlying growth rates of 5% for Dods and 5% for Merit, based on management's view on likely trading and likely growth for those years;
- this assumption is based upon both assumed increases in revenue from yield improvements and expansion of markets and also strict cost control;
- cash flows beyond 2025 are extrapolated using a 2% growth rate for both Dods and Merit;
- cash flows were discounted using the CGU's pre-tax discount rate of 10.59% for Dods and 8.59% for Merit.

Based on the above sensitivity assumptions the calculations disclosed headroom against the carrying value of goodwill for each CGU. The Executive directors carried out a number of sensitivity scenarios on the data. These were based on best estimates under the current economic environment created by COVID-19, however it is acknowledged that given the environment, it is not possible to determine what changes to these estimates may eventuate.

14. Intangible assets

	Assets acquired through business combinations ¹	Software	Other capitalised costs	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2018	24,215	2,907	-	27,122
Additions – internally generated	-	512	-	512
Impairment	(259)	-	-	(259)
At 31 March 2019	23,956	3,419	-	27,375
Additions – internally generated	-	296	-	296
Additions – other	-	-	1,304	1,304
Acquisition of subsidiary	4,086	-	-	4,086
At 31 March 2020	28,042	3,715	1,304	33,061
Accumulated amortisation				
At 1 April 2018	17,359	1,455	-	18,814
Charge for the year	351	1,789	-	2,140
At 31 March 2019	17,710	3,244	-	20,954
Charge for the year	711	158	-	869
At 31 March 2020	18,421	3,402	-	21,824
Net book value				
At 31 March 2019	6,246	175	-	6,421
At 31 March 2020	9,621	313	1,304	11,238

1 Assets acquired through business combinations are disclosed in the table below.

In the prior year the £259K impairment for the year relates to Fenman publishing rights.

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

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

- Dods	75 years
- Total Politics	20 years
- Holyrood	20 years
- Merit	8 years
- Software intangibles	2-6 years

The carrying value of publishing rights with a useful economic life of 75 years is £4.1 million (2019: £4.1 million).

Included within intangible assets are internally generated assets with a net book value of £0.3 million (2019: £0.2 million).

Assets acquired through business combinations comprise:

	Publishing rights	Brand names	Customer relationships and lists	Other assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2018	19,193	1,277	3,591	154	24,215
Impairment	(259)	-	-	-	(259)
At 31 March 2019	18,934	1,277	3,591	154	23,956
Acquisition of subsidiary	-	-	4,086	-	4,086
At 31 March 2020	18,934	1,277	7,677	154	28,042
Accumulated amortisation					
At 1 April 2018	12,337	1,277	3,591	154	17,359
Charge for the year	351	-	-	-	351
At 31 March 2019	12,688	1,277	3,591	154	17,710
Charge for the year	351	-	360	-	711
At 31 March 2020	13,039	1,277	3,951	154	18,421
Net book value					
At 31 March 2019	6,246	-	-	-	6,246
At 31 March 2020	5,895	-	3,726	-	9,621

15. Property, plant and equipment

	Leasehold Improvements £'000	IT Equipment and Fixtures and Fittings £'000	Total £'000
Cost			
At 1 April 2018	1,944	1,072	3,016
Additions	66	49	115
Disposals	-	-	-
At 31 March 2019	2,010	1,121	3,131
Additions	15	172	187
Acquisition of subsidiary	-	421	421
At 31 March 2020	2,025	1,714	3,739
Accumulated depreciation			
At 1 April 2018	279	410	689
Charge for the year	201	178	379
Disposals	-	-	-
At 31 March 2019	480	588	1,068
Charge for the year	212	325	537
At 31 March 2020	692	913	1,605
Net book value			
At 31 March 2019	1,530	533	2,063
At 31 March 2020	1,333	801	2,134

16. Subsidiaries

Company	Activity	% holding	Country of registration
Dods Parliamentary Communications Limited ¹	Publishing	100	England and Wales
Fenman Limited ¹	Publishing	100	England and Wales
Holyrood Communications Ltd ²	Publishing	100	Scotland
Le Trombinoscope SAS ³	Publishing	100	France
Total Politics Limited ¹	Publishing	100	England and Wales
Training Journal Limited ¹	Holding company	100	England and Wales
Meritgroup Limited ¹	Data and code	100	England and Wales
Letrim Intelligence Services Private Limited ⁴	Data and code	99.99	India
Merit Processes Limited ¹	Dormant	100	England and Wales
European Parliamentary Communications Services SPRL ⁵	Dormant	100	Belgium
Mislex (420) Limited ¹	Dormant	100	England and Wales
Monitoring Services Limited ¹	Dormant	100	England and Wales
Political Wizard Limited ¹	Dormant	100	England and Wales
Social Lens Limited ¹	Dormant	100	England and Wales
Vacher Dod Publishing Limited ¹	Dormant	100	England and Wales
VDP Limited ¹	Dormant	100	England and Wales

- 1 Registered address: 11th Floor, The Shard, 32 London Bridge Street, London, SE1 9SG.
- 2 Registered address: Panmure Court, 32 Calton Road, Edinburgh, EH8 8DP.
- 3 Registered address: 315 Bureaux de la Colline, 1 rue Royale, 92213 Saint-Cloud cedex, Paris, France.
- 4 Registered address: SP 52, 3rd Street, Ambattur Industrial Estate, Chennai 600 058.
- 5 Registered address: Boulevard Carlemagne 1, 1041 Bruxelles, Belgium.

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

Acquisitions of subsidiaries

Summary of acquisition

During the current year, on 18 July 2019, the parent entity acquired 100 percent of the issued share capital of Meritgroup Limited and its subsidiaries, a provider of data services and software code. The acquisition will enable the Group to further diversify and strengthen its presence in new end markets and open up significant opportunities through the sharing of resources and talent across the Group.

There were no acquisitions in the prior year.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration	2020 £'000
Cash paid	18,231
Ordinary shares issued	1,046
Deferred consideration	2,091
Purchase consideration	21,368

The fair value of the 13,715,881 shares issued as part of the consideration was based on the average of the middle market quotations for Purchaser Ordinary Shares on AIM for each of the five dealing days prior to the completion date. The deferred consideration is not contingent on any future event occurring and requires the Group to issue a variable number of shares to the value of £1.045 million on the first anniversary of the acquisition and £1.045 million on the second anniversary of the acquisition.

Deferred consideration	Current £'000	Non-current £'000	Total £'000
Deferred consideration to be settled in shares	1,046	1,045	2,091

Fair value of net assets acquired	2020 £'000
Cash and cash equivalents	1,176
Trade and other receivables	2,336
Property, plant and equipment	421
Right-of-use assets	4,209
Identifiable intangible assets	4,086
Trade and other payables	(1,587)
Lease liabilities	(4,209)
Deferred tax liability	(693)
Net identifiable assets acquired	5,739
Add: Goodwill	15,629
Net assets acquired	21,368

The goodwill arising from the acquisition consists of largely intangible assets that cannot be separately recognised, such as the assembled workforce of the acquired entity and cost synergies expected to flow to the Group. The goodwill is not expected to be deductible for income tax purposes.

The fair value of trade and other receivables is £2.30 million. The gross amount for trade receivables is £2.30 million, with a loss allowance of £0.02 million recognised on acquisition.

The acquired subsidiary contributed revenues of £7.6 million and net profit of £0.7 million for the year ended 31 March 2020.

Purchase consideration – cash outflow

	2020
	£'000
Net cash outflow arising on acquisition	
Cash paid	18,231
Less: cash and cash equivalent balances acquired	(1,176)
Net cash outflow	17,055

17. Investments in associates

Set out below are the associates and joint ventures of the Group as at 31 March 2020 which, in the opinion of the directors, are individually not material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	% ownership	Carrying amount 2019 £'000	Impairment 2020 £'000	Share of profit 2020 £'000	Carrying amount 2020 £'000
Sans Frontieres Associates Ltd ¹	40	-	-	164	164
Social 360 Limited ²	30	503	-	(6)	497
		503	-	158	661

Place of business/country of incorporation of both entities is England. The Group accounts for both entities as equity-accounted associates. In the prior year, after a strategic review, the Board impaired the Group's investment in Social 360 Limited by £1.231 million.

- On 16 February 2017, the Group purchased 40% of the issued share capital of Sans Frontieres Associates Limited (SFA), a company registered in England and Wales, for a carrying value of £40.

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

As at the year end the Group had loaned SFA £560,000 (2019: £700,000). During the year, repayments of £140,000 were received by the Group. The remaining unsecured loan of £560,000 carries no interest rate charge and is repayable in 2022. Recoverability is reviewed on an annual basis.

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

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

The acquisition includes a contractual option for the Group, at its sole discretion, to purchase the balance of the current existing shares between November 2019 and November 2020, at a valuation based upon

Social 360's prevailing EBITDA. It is considered that the fair value of the option at the balance sheet date is £nil (2019: £nil).

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

The total share of profit recognised from associates is £158K (2019: £50K).

18. Work in progress and inventories

	2020 £'000	2019 £'000
Work in progress and inventories	273	16
	273	16

19. Financial instruments

The carrying amount of financial assets and liabilities recognised at the balance sheet date of the reporting periods under review may also be categorised as follows:

	2020 £'000	2019 £'000
Financial assets		
Trade and other receivables	5,086	2,318
Long-term loan	560	700
Cash and cash equivalents	4,368	7,160
Restricted cash held in deposit account	-	1,266
	10,014	11,444
Financial liabilities		
Trade and other payables	(10,226)	(9,870)
Bank loan	(3,000)	-
	(13,226)	(9,870)
Net financial assets and liabilities	(3,212)	1,574
Non-financial instruments		
Property, plant and equipment	2,134	2,063
Goodwill	28,911	13,282
Other intangible assets	11,238	6,421
Prepayments and accrued income	2,733	1,266
Inventories	273	16
Other non-financial instruments	(5,462)	(1,116)
Provisions for deferred tax	(862)	(487)
	38,965	21,445
Total equity	35,753	23,019

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

Credit risk

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

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

At 31 March 2020, £487,000 of the Group's trade receivables were exposed to risk in countries other than the United Kingdom (2019: £270,000).

The ageing of trade receivables at the reporting date was:

Gross	Provided	Gross	Provided
2020	2020	2019	2019
£'000	£'000	£'000	£'000

Sensitivity analysis

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

At 31 March 2020, it is estimated that a general increase of one percentage point in interest rates would have decreased the Group's profit before tax by approximately £32,000 (2019: £nil). In the prior year the Group did not have any borrowings.

It is estimated that a general increase of one percentage point in the value of the Euro against Sterling would have increased the Group's profit before tax by approximately £11,000 (2019: £25,000).

Fair values

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

Capital management

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

20. Other financial assets

	2020 £'000	2019 £'000
Trade and other receivables		
Trade receivables	4,512	1,959
Other receivables	574	359
Prepayments and accrued income	2,733	1,266
	7,819	3,584

Trade and other receivables denominated in currencies other than Sterling comprise £351,000 (2019: £270,000) denominated in Euros and £127,000 (2019: £nil) denominated in USD.

	2020 £'000	2019 £'000
Cash related		
Cash and cash equivalents	4,368	7,160
Restricted cash held in deposit account	-	1,266
	4,368	8,426

Cash includes £763,000 (2019: £1,794,301) denominated in Euros, £248,000 (2019: £480,000) denominated in USD and £998,000 (2019: £nil) denominated in Indian rupees.

Included in cash at bank is a rental deposit of £nil (2019: £1,266,000) held in a bank account in the Group's name which is subject to a guarantee in favour of the landlord of the London premises of the Group.

21. Trade and other payables

	2020 £'000	2019 £'000
Current		
Trade creditors	1,880	1,129
Other creditors including tax and social security	2,197	1,619
Other payables	272	-

Accruals and deferred income	8,074	8,741
	12,423	11,489

Current liabilities denominated in currencies other than Sterling comprise £47,000 (2019: £26,000) denominated in Euros, £20,000 (2019: £25,000) denominated in USD and £752,000 (2019: £nil) denominated in Indian rupees.

	2020	2019
	£'000	£'000
Non-current		
Other payables	545	-

The non-current other payables balance reflects an amount payable arising on the acquisition of Merit, contingent on the continued employment of certain of the Merit employees.

22. Interest-bearing loans and borrowings

During the year, the Group borrowed a term loan of £3 million (2019: £nil) over a 5-year period carrying a rate of 3.25% over LIBOR. In addition, it has a revolving credit facility (RCF) of £2 million carrying a rate of 3.5% over LIBOR. The current balance outstanding on the term loan is £3 million. The current balance outstanding on the RCF is £nil.

See note 19 for the maturity analysis of the bank loan.

Updated banking facilities and covenant waiver

During the year end audit process, the Group became aware of a change in a contractual obligation that existed as at 31 March 2020 that caused it to be in breach of one of its three banking covenants.

The Group has secured a waiver from the bank for this breach; however, because the waiver was not in place as at the balance sheet date the entire £3million loan balance has been classified as current in these financial statements. The Group expects the £3 million loan balance to be classified as a long term liability in its interim result balance sheet on 30 September 2020.

In the 12 month period from the balance sheet date capital repayments of £0.4 million will be repaid to the bank with the remaining £2.6 million due in subsequent periods. The group continues to enjoy the support of Barclays Bank plc and agreement has been reached on new covenants to support the Group in 2021.

23. Deferred tax liability

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

	Liabilities		Assets		Total £'000
	Intangible assets £'000	Other timing differences £'000	Accelerated capital allowances £'000	Tax losses £'000	
At 31 March 2018	973	(3)	(70)	(139)	763
Charge to income	(260)	(1)	28	(41)	(275)
At 31 March 2019	713	(4)	(42)	(180)	487
Acquisition of subsidiary	693	-	-	-	693
Other movements	(155)	-	-	-	(155)
Charge to income	(140)	45	2	(70)	(163)
At 31 March 2020	1,111	41	(40)	(250)	862

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

At the balance sheet date, the Group has unused tax losses of £8.1 million (2019: £5.1 million) available for offset against future profits. A deferred tax asset of £250,000 (2019: £180,000) has been recognised in respect of such losses.

24. Issued capital

	9p deferred shares Number	1p ordinary shares Number	Total £'000
Issued share capital as at 1 April 2019	151,998,453	341,640,953	17,096
Shares issued during the year	-	214,288,760	2,143
Issued share capital as at 31 March 2020	151,998,453	555,929,713	19,239

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

During the year the Company issued 214,288,760 ordinary shares to part fund the acquisition of Merit.

During the year the Group issued nil (2019: nil) ordinary shares on the exercise of employee share options for cash consideration of £nil (2019: £nil) of which £nil (2019: £nil) was credited to share capital and £nil (2019: £nil) to share premium.

25. Leases

The Group has adopted IFRS 16 *Leases* as at 1 April 2019, which replaces IAS 17 *Leases*. The Group has elected to apply the modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognised as an opening balance adjustment to retained earnings as at 1 April 2019. Prior periods have not been restated.

On transition to IFRS 16 on 1 April 2019, the Group recognised a £4.9 million right-of-use asset, along with a corresponding lease liability of £6.2 million. Accrued rent has been adjusted by £1.1 million and the difference of £0.2 million against opening retained earnings. The incremental borrowing rate used by the Group in applying IFRS 16 is 5 percent.

A reconciliation of total operating lease commitments disclosed at 31 March 2019 to the lease liability amount recognised on adoption of IFRS 16 is as follows:

	£'000
Total operating lease commitments disclosed at 31 March 2019	7,546
Discounted using incremental borrowing rate	(1,359)
Total lease liabilities recognised under IFRS 16 at 1 April 2019	6,187

	Right-of-use assets £'000	Lease liabilities £'000
On adoption – 1 April 2019	4,927	(6,187)
Additions through acquisition of subsidiary	4,209	(4,209)
Depreciation	(1,210)	-
Lease interest	-	(420)
Lease payments	-	1,732
Decrease in accruals/prepayments	-	(132)

As at 31 March 2020	7,926	(9,216)
Current	n/a	(1,515)
Non-current	n/a	(7,701)

The statement of profit or loss shows the following amounts relating to leases:

	2020	2019
	£'000	£'000
Depreciation charge of right-of-use assets	1,210	-
Interest expense (included in finance cost)	420	-

The right-of-use assets relate to office space in five locations and at the balance date have remaining terms ranging up to 6.5 years.

26. Share-based payments

Executive Share Option Scheme

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

Grant date	Outstanding options at 1 April 2019	Granted during the year	Lapsed/exercised during the year	Outstanding options at 31 March 2020
6 May 2009	150,000	-	(150,000)	-
4 November 2010	100,000	-	-	100,000
	250,000	-	(150,000)	100,000

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

Long-Term Incentive Plan (LTIP)

During the prior year, the Company granted the former Chief Executive Officer a conditional award under a new long-term incentive plan. No more awards will be made under this scheme.

Grant date	Outstanding options at 1 April 2019	Granted during the year	Lapsed/exercised during the year	Outstanding options at 31 March 2020
21 September 2018	1,562,000	-	-	1,562,000
	1,562,000	-	-	1,562,000

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

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

	Number of Ordinary shares	Weighted average exercise price (pence)
As at 1 April 2018	250,000	10.0p
Granted during the year	1,562,000	n/a
As at 31 March 2019	1,812,000	n/a
Granted during the year	-	n/a
Lapsed during the year	(150,000)	n/a
As at 31 March 2020	1,662,000	n/a

The following options were outstanding under the Company's Executive Share Option Scheme and LTIP, as at 31 March 2020:

	Number of Ordinary shares	Exercise price per share (pence)	Exercise period
Executive Share Option Scheme			
4 November 2010	100,000	10.0p	Nov 2020
Long-Term Incentive Plan			
21 September 2018	1,562,000	16.1087p	Sept 2021
	1,662,000		

The income statement charge in respect of the LTIP for the year was £20,000 (2019: £11,000).

27. Related party transactions

During the year, CC Jones Consulting Limited provided strategic consultancy services to Dods Group plc to the value of £nil (2019: £85,000). Former Chairman Cheryl C. Jones is also a director of CC Jones Consulting Limited (also refer to note 7 detailing directors' remuneration).

During the year, Artefact Partners LLP provided strategic consultancy services to Dods Group plc to the value of £20,000 (2019: £20,000). Current non-executive director Richard Boon is an LLP designated member of Artefact Partners LLP (also refer to note 7 detailing directors' remuneration).

During the year, the Group received a repayment of £140,000 (2019: £nil) on its interest free loan to its associate Sans Frontieres Associates (SFA). At 31 March 2020 the balance outstanding was £560,000 (2019: £700,000).

During the year, an amount of £55,720 (2019: £60,781) was payable to an associate Social 360 Limited, in relation to profit-share for monitoring services provided. At 31 March 2020, £22,620 (2019: £11,490) of this balance was outstanding.

On acquisition of Merit, an arm's length non-repairing 7-year lease was entered into between a Merit subsidiary (Letrim Intelligence Services Private Limited) and Merit Software Services Private Limited. Cornelius Conlon, a director of the Group, is the beneficial owner of Merit Software Services Private Limited. The lease relates to the Chennai office of Merit. During the year, payments of £535,000 were made to Merit Software Services Private Limited in relation to the lease.

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

28. Events occurring after the reporting date

On 23 May 2020 the Group agreed certain modifications to its banking facilities with Barclays Bank plc including an additional 9 month capital repayment holiday on a £3 million loan (note duration of the loan has not been extended), a waiver of all covenants through to 31st December 2020 and certain revised covenants thereafter.

In addition, on 1 September the Group agreed revised covenants for the period starting 1 January 2021 and also agreed a waiver of the annual covenant test for 31 March 2021.

On 29 July 2020 the Group announced the allotment of 26,141,667 new ordinary shares in connection with its deferred consideration obligations entered into as part of the Company's acquisition of Meritgroup Limited.

The Group has been impacted by COVID-19 from March 2020. As discussed earlier, continuing efforts to manage the COVID-19 situation are in place and are fluid. The Board at this stage cannot predict the medium to long-term effects of COVID-19 and therefore does not expect to be able to issue any forward-looking statements or guidance for the foreseeable future.

Parent company balance sheet

As at 31 March 2020

Company number: 04267888

	Note	2020 £'000	2019 £'000
Non-current assets			
Intangible assets	31	1,624	1,085
Tangible fixed assets	32	1,658	1,954
Investments	33	42,342	20,974
Long-term loan		560	700
Total non-current assets		46,184	24,713
Current assets			
Debtors	34	3,862	4,663
Cash	35	120	1,962
Total current assets		3,982	6,625
Total assets		50,166	31,338
Capital and reserves			
Called-up share capital	38	19,239	17,096
Share premium account		20,082	8,143
Merger reserve		409	409
Profit and loss account		1,366	1,340
Total equity		41,096	26,988
Current liabilities			
Trade and other payables	36	3,058	3,974
Deferred consideration	33	1,046	-
Bank loan	37	3,000	-
Total current liabilities		7,104	3,974
Non-current liabilities			
Other payables	36	921	376
Deferred consideration	33	1,045	-
Total non-current liabilities		1,966	376
Total equity and liabilities		50,166	31,338

During the year, the company made a profit of £26,000 (2019: loss of £3,196,929).

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

Simon Bullock
Chief Financial Officer
2 September 2020

Parent company statement of changes in equity

For the year ended 31 March 2020

	Share capital £'000	Share premium ¹ £'000	Merger reserve ² £'000	Retained earnings £'000	Total shareholders' funds £'000
At 1 April 2018	17,096	8,143	409	4,537	30,185
Total comprehensive income					
Loss for the year	-	-	-	(3,197)	(3,197)
Share-based payment charge	-	-	-	-	-
Transactions with the owners					
Issue of ordinary shares	-	-	-	-	-
At 31 March 2019	17,096	8,143	409	1,340	26,988
Total comprehensive income					
Profit for the year	-	-	-	26	26
Share-based payment charge	-	-	-	-	-
Transactions with the owners					
Issue of ordinary shares	2,143	11,939	-	-	14,082
At 31 March 2020	19,239	20,082	409	1,366	41,096

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

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

Notes to the parent company financial statements

For the year ended 31 March 2020

29. Statement of Accounting Policies - company

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

Basis of accounting

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

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

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

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

Going Concern

The Directors have considered the implications for Going Concern for a period of at least twelve months from the signing of these accounts. The Board remains satisfied with the Company's funding and liquidity position as discussed further in note 1 of the group financial statements.

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

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

Share-based payments

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

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

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

Leases

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

Post-retirement benefits - defined contribution

The Company contributes to independent defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The amount charged to the profit

and loss account represents the contributions payable to the schemes in respect of the accounting period.

Dividends

Dividends from subsidiary companies are accounted for when payable. Dividends payable to shareholders are recognised when they are approved by the shareholders at the Annual General Meeting. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Tax

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

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

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

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

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

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

Intangible assets

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

Tangible fixed assets and depreciation

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

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

Fixed asset investments

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

Impairment of fixed assets and goodwill

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

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

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset

that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed on intangible assets and goodwill only if subsequent external events reverse the effect of the original event which caused the recognition of the impairment or the loss arose on an intangible asset with a readily ascertainable market value and that market value has increased above the impaired carrying amount.

For other fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period.

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

Financial assets, liabilities and equity instruments

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

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

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

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

30. Staff costs - company

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

	2020	2019
Managerial and administration staff	8	8

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

	2020	2019
	£'000	£'000
Wages and salaries	678	786
Social security costs	76	96
Pension and other costs	-	1
Share-based payment charge	20	11
	774	894

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

31. Intangible assets - company

Publishing rights £'000	Other capitalised costs £'000	Total £'000
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33. Fixed asset investments - company

	Associates £'000	Subsidiary undertakings £'000	Total £'000
Cost			
As at 1 April 2019	463	20,511	20,974
Addition	-	21,368	21,368
As at 31 March 2020	463	41,879	42,342

Detailed disclosures on subsidiary undertakings are given in note 16 and associates in note 17. During the current year, the Company purchased 100 percent of the share capital of Meritgroup Limited. During the prior year, the carrying value of the Company's investment in Social 360 Limited was impaired by £1,231,000.

Deferred and contingent consideration payable in relation to the acquisition of Meritgroup Limited are also outlined in note 16.

34. Trade and other receivables - company

	2020 £'000	2019 £'000
Other debtors	-	162
Amounts owed by group undertakings	2,692	4,285
Prepayments and accrued income	1,170	216
	3,862	4,663

35. Cash and cash equivalents - company

	2020 £'000	2019 £'000
Cash and cash equivalents	120	1,962

36. Trade and other payables - company

	2020 £'000	2019 £'000
Trade and other payables: amounts falling due within one year		
Amounts owed to group undertakings	1,179	1,232
Other creditors including tax and social security	18	15
Other payables	272	-
Accruals and deferred income	1,589	2,727
	3,058	3,974
Trade and other payables: amounts falling due after more than one year		
Amounts owed to group undertakings	376	376
Other payables	545	-
	921	376

The non-current other payables balance reflects an amount payable arising on the acquisition of Merit, contingent on the continued employment of certain of the Merit employees.

37. Interest-bearing loans and borrowings - company

During the year, the Company borrowed a term loan of £3 million (2019: £nil) over a 5-year period carrying a rate of 3.25% over LIBOR. In addition, it has a revolving credit facility (RCF) of £2 million carrying a rate of 3.5% over LIBOR. The current balance outstanding on the term loan is £3m. The current balance outstanding on the RCF is £nil.

See note 19 for the maturity analysis of the bank loan.

38. Share capital - company

	9p deferred shares Number	1p ordinary shares Number	Total £'000
Issued share capital as at 1 April 2019	151,998,453	341,640,953	17,096
Shares issued during the year	-	214,288,760	2,143
Issued share capital as at 31 March 2020	151,998,453	555,929,713	19,239

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

During the year the Company issued 214,288,760 ordinary shares to part fund the acquisition of Merit.

During the year the Company issued nil (2019: nil) ordinary shares on the exercise of employee share options for cash consideration of £nil (2019: £nil) of which £nil (2019: £nil) was credited to share capital and £nil (2019: £nil) to share premium.

39. Operating lease commitments - company

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

Land and buildings	2020 £'000	2019 £'000
Within one year	1,056	1,056
Between two and five years	4,223	4,223
After five years	1,078	2,136
	6,357	7,415

40. Related party disclosures - company

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

During the year, CC Jones Consulting Limited provided strategic consultancy services to Dods Group plc to the value of £nil (2019: £85,000). Former Chairman Cheryl C. Jones is also a director of CC Jones Consulting Limited (also refer to note 7 detailing directors' remuneration).

During the year, Artefact Partners LLP provided strategic consultancy services to Dods Group plc to the value of £20,000 (2019: £20,000). Current Non-Executive Director Richard Boon is a LLP designated member of Artefact Partners LLP (also refer to note 7 detailing directors' remuneration).

During the year, the Company received repayment of £140,000 (2019: £nil) of an interest free loan from its associate Sans Frontieres Associates (SFA). At 31 March 2020 the balance outstanding was £560,000 (2019: £700,000).

41. Events occurring after the reporting date

On 23 May 2020 the Company agreed certain modifications to its banking facilities with Barclays Bank plc including an additional 9 month capital repayment holiday on a £3 million loan (note duration of the loan has not been extended), a waiver of all covenants through to 31st December 2020 and certain revised covenants thereafter.

In addition, on 1 September the Group agreed revised covenants for the period starting 1 January 2021 and also agreed a waiver of the annual covenant test for 31 March 2021.

On 29 July 2020 the Company announced the allotment of 26,141,667 new ordinary shares in connection with its deferred consideration obligations entered into as part of the Company's acquisition of Meritgroup Limited.

The Group has been impacted by COVID-19 from March 2020. As discussed earlier, continuing efforts to manage the COVID-19 situation are in place and are fluid. The Board at this stage cannot predict the medium to long-term effects of COVID-19 and therefore does not expect to be able to issue any forward-looking statements or guidance for the foreseeable future.