Annual Report and Accounts

One Media iP Group PLC

For the year ended 31 October 2018

Annual Reports

OMiP, a year in review. *Year ending October 2018*

Financials

One Media iP Group PLC **Revenue** increased

16% to £2,702,374

EBITDA increased 44% to £773,071

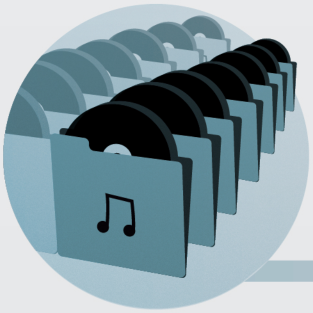
Operating Profit increased

94% to £638,758

Cash at 31 October 2018

of £5,576,379

Operations



One Media iP Group PLC owns or controls

the rights to over 250,000 tracks

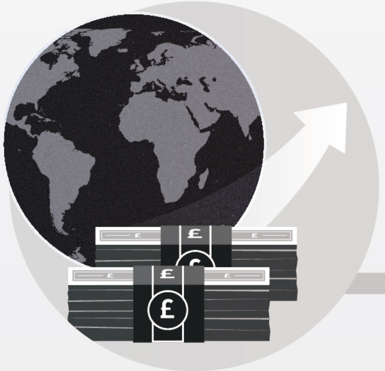
10,000 hours of video content

Over 340,000 subscribers

across **YouTube** channels

Global Music Industry 2018*

*IFPI Global music report

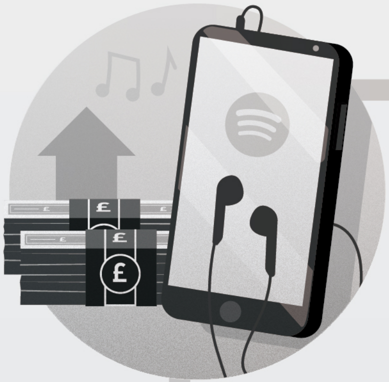


Global recorded music **revenues**

+9.7% to $19.1 bn

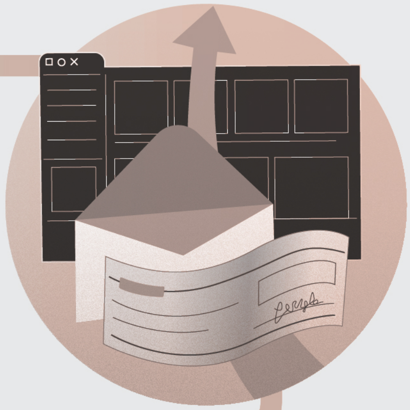
Growth in global **streaming revenues**

+34.0% to $8.9 bn



Growth in global digital music **revenues**

+21.0% to $11.2 bn



Growth in paid global **streaming revenues**

+32.0%

Global physical media **revenue decline**

-10.1%

Company Information

Directors	Michael Antony Infante Scott Cohen Philip Miles Ivan Dunleavy Lord Michael Grade
Secretary	Steven Gunning
Registered Office	Pinewood Studios 623 East Props Building Pinewood Road Iver Heath Buckinghamshire SL0 0NH
Nomads	Cairn Financial Advisers LLP 61 Cheapside London EC2V 6AX
Brokers	Panmure Gordon (UK) Limited One New Change London EC4M 9AF
Solicitors	Marriott Harrison Staple Court 11 Staple Inn Buildings London WC1V 7QH
Bankers	Coutts & Co 440 Strand London WC2R 0QS Barclays Bank Plc Level 27, 1 Churchill Place London E14 5HP
Registrars	Share Registrars Ltd 9 Lion and Lamb Yard Farnham Surrey GU9 7LL
Auditors	James Cowper Kreston Reading Bridge House George Street Reading Berkshire RG1 8LS

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Executive Chairman’s Statement
For the year ended 31 October 2018

2018 has been a year in which we have achieved strong trading performance and made significant progress towards becoming a leading rights owning entity.

Music streaming is now the largest segment of the music market and continues to grow. Subsequently, the on-going shift from physical to digital formats continues to enhance the value of our existing catalogue of mixed media content. We are now seeing consumers adopt steaming in ever growing numbers which provides yet further opportunity for our growing music catalogue to be accessed.

Ensuring the copyright protection of our content remains of utmost importance as streaming grows and formats evolve. In March 2019, the European Union Directive on Copyright in the Digital Single Market, also known as Article 13, was passed by the EU Parliament. One Media has been a supporter for the passing of Article 13 to protect its interests in its varying music and video content across member states and we welcome its arrival. We now look to each of the EU's member states to enact Article 13 within the guidelines which have been set out in the directive.

At a time when music has attracted new market interest and investment the Board took the decision, in August 2018, to conduct a fundraise of both equity and debt to seek earnings accretive acquisitions of music rights. In a competitive market, to date, we have committed circa 26% of the initial fundraise and have created significant market awareness of our ability to acquire rights consistent with our objectives. We have a strong pipeline of opportunities, and expect to make further rights acquisitions in the coming months.

Ivan Dunleavy
Chairman

Chief Executive's Statement
For the year ended 31 October 2018

This has been a milestone year for One Media, during which we welcomed Lord Grade and Ivan Dunleavy onto the Board, a total of £8,895,000 was raised in equity and debt, of which £4,795,000 has been drawn down, to fund acquisitions of music rights and saw growth across the Group.

Our operating profit for the Full Year was up 94% to £638,758 and cash at the end of the period stood at £5,576,379. The Company achieved growth through its technical ability and by developing our relationships with our distribution partners.

Music

Over the last few years we've witnessed significant change, driven by streaming which has now become the biggest single source of revenue in the industry. However, it is the emerging technology in the sector where we now see further significant opportunities to monetise our content. Artificial Intelligence (AI) and smart, Voice Activated (VA) speakers have already begun revolutionising how music is consumed. One Media's in-house creative technicians, using 'best practices', maximise the discoverability of One Media's recordings and ensure that they are curated in as many playlists as possible. We are also now witnessing YouTube Music and Facebook add new income sources as music is monetised on their sites. All of these factors endorse our continued investment into content and underpin our ability to keep pace with this fast-changing sector.

Focused on maximising the value of our existing catalogue of over 250,000 tracks, we were pleased to successfully place a number of synchronised music pieces in film and TV during the year. This included our recording of Chopin's Nocturne Op No 2 in E-Flat Major from the Point Classics catalogue featuring in Marvels Daredevil and Jim Carrey's new TV series 'Kidding'.

Video

Our archive Men & Motors footage grew in popularity on YouTube, generating over 43 million minutes of viewing in 2018 and increasing to over 114,000 subscribers.

The Group's music video, documentaries and special interest programs are finding new platforms for distribution. We have seen content appear on Amazon and other independent distributors as well as our country music videos being broadcast on Keep It Country, a leading UK Freeview channel.

TCAT

Development work on TCAT is progressing and the team has made further strides into digital fingerprinting. Over the year, the TCAT development team has been focusing not just on One Media's requirements, and we were delighted to be able to announce that we successfully signed our second major record label client as a result. At the period end the carrying value for research and development in TCAT was £427,852.

Management and Team

The departure of Scott Cohen from the Board was announced on 6 February 2019, and becomes effective today. Scott joined OMiP in 2007 and has been a huge part of the journey thus far. Once again, I'd like to thank him on behalf of the Board for his fantastic contribution and wish him every success for the future.

I would also like to take this opportunity to thank all the One Media Team for their continued hard work and dedication throughout the year.

Financial Overview

The year under review has seen revenues grow by 16% up to £2,702,374 and our EBITDA up by 44% to £773,071 (2017: £535,678), driven by increased consumer demand on streaming platforms and other revenue distributions from digital platforms. Our operating profit is up to £638,758, a significant increase over our 2017 figure of £330,174. In September the Company issued 48,250,001 new shares raising £2,895,000 of cash and drew down debt of £1,600,258 (net of fees) from a new facility of £6,000,000. At the end of the period, our cash balance was £5,576,379 (2017: £335,664). Our Gross margin has increased to 51%. Overheads for the year are reported at £853,229 compared to 2017 at £758,311.

Chief Executive's Statement
For the year ended 31 October 2018
Review of Activities – continued

The profit after tax attributable to equity shareholders of £405,016 (2017: £266,772) is reported for the financial year. Reflecting an increase in revenues, a reduced foreign exchange charge and increased margins. The corporation tax expense of £81,488 in the period (2017: £30,829) includes Research and Development allowances available to the Group. At the end of the year our cash position is reported at £5,576,379 (2017: £383,051).

Acquisitions

Post period end we were delighted to announce the acquisitions of two significant catalogues. Firstly, the catalogue of Locomotive Records in February for $750,000, broadening our music library with contemporary Spanish progressive rock music predominantly featuring the band Mägo de Oz. A great addition to our catalogue and one which will enhance the Group's growth of streaming in regions like Spain and Latin America.

Following this, in April 2019 we were also extremely pleased to announce the acquisition of the publishing and songwriter rights to songs written by American songwriter Michael Dulaney for $850,000. Dulaney has been a prolific songwriter over the years and has had major hit songs performed by the likes of Faith Hill and Jason Aldean.

Outlook

The Company is well placed to benefit from growth in the music industry and to continue to grow its own catalogue of music rights. We have a strong pipeline of opportunities and the Board looks to the future with confidence.

Michael Antony Infante
Chief Executive and Founder

Strategic Report
For the year ended 31 October 2018

Business review and future developments

The results of the Group are shown within the financial statements and a detailed review of the business for the year and future developments is given on pages 1 to 3.

Whilst the Group focus is primarily on the digital market place, traditional routes to market are not being ignored.

The Group has continued to enter into representative deals with independent record labels and content owners to market their rights in the digital arena and to invest in copyrights and intellectual property that are considered to attract a suitable and sustainable rate of return.

A dividend of £nil (2017: £nil) was paid in the year.

The key financial and non-financial performance indicators the Directors use to monitor the performance of the Group are as follows:

Financial and non-financial key performance indicators

Cost of catalogue acquisition and number of tracks "ingested"
Management are continually searching to acquire additional music, video, spoken word and digital book catalogues to exploit through the digital medium and other routes to market. The costs of catalogue acquisition “ingestion” are constantly monitored to ensure that a safe and adequate return on investment is made. During the year £48,511 (2017: £80,152) was spent on catalogue and intangible asset additions.

Rate of commercialisation of licences and intellectual property
Measured by the growth in value and volume of digital revenues, license deals and sales contracts signed. During the year revenue rose to £2,702,374 (2017: £2,337,624) a 15.6% year on year increase which included additional income of £276,160 (2017: £nil) generated by the Group's continued relationship with its key distribution partners. Progress assessment includes regular updates on key partners, distribution outlets and market segments.

Overhead
Management closely monitors overheads, carefully balancing the need to reward people properly based on both performance and external market factors, and other overhead expenditure. Where a step change in overheads is predicted this must be justified in both financial and strategic terms. During the year overheads increased to £853,229 (2017: £758,311) a 13% increase.

Share price movements and changes in shareholders are constantly monitored as a major contributor to long term planning
The Board constantly review share price movements both for the impact of Regulated News Service announcements and trading in shares on the AIM Market. Share price as at 31 October 2018 was 6.26p (2017: 3.50p).

Management of capital
The Group’s dividend policy is determined by the availability of profit and reserves from which to pay dividends, the Group’s policy and cost of acquiring additional music catalogues and the desire to reward shareholders for their investment in the Group.

Financial reporting
Financial reporting is monitored monthly against budgets and forecasts, by both the main Board and the Board of the principal operating subsidiary. Profit and Loss and Cash Flow projections are updated as significant changes to performance and operating conditions occur.

Strategic Report
For the year ended 31 October 2018 - continued

Business risks

Reliance on key personnel
The Group is dependent on the knowledge, expertise and experience of its key personnel. In total, the Group employs 12 people. In the event that a key member of the team was to leave the employment of the Group this could lead to significant disruption and could have a material impact on the future profitability of the Group.

Reliance on The Orchard – concentration of distribution risk
In the financial year ending 31 October 2018 approximately 73% (2017: 71%) of the Group's turnover was channeled via The Orchard, the distribution aggregator that the Group uses to distribute its content to end-user download and streaming sites such as iTunes and Spotify. In the event that The Orchard agreement was terminated or that The Orchard ceased to operate, this could have a material impact on the Group's operations and profitability, whilst the Group changed its systems to work either with a new aggregator or trade directly with the end-user distribution sites.

Rights acquired may not be wholly exclusive
The Group has acquired a large number of catalogues of music, video and spoken word since its formation. It is not uncommon for rights attached to such catalogues to have been previously transferred prior to the Group's acquisition of such rights. A risk exists that the title to such rights may be challenged in which event, the Group may have to forego potential revenue and/or incur legal costs whilst securing exclusive title.

Sales of digital content
Digital stores may at their discretion delist or remove tracks, albums or content from their store, without any prior notice to the Group. If this was to occur it could have a detrimental effect on the Group's revenue growth.

Piracy
Piracy or the illegal download of its content from the internet could have a detrimental impact on the Group's growth plans.

Currency – revenues received in US$
In the financial year to 31 October 2018 approximately 83% (2017: 83%) of the Group's revenue was generated in US dollars, whilst the majority of the Group's costs are denominated in Sterling. The Group is therefore exposed to the US$/£ exchange rate and so any material adverse movement in this exchange rate can have a material financial impact on the Group.

Market dominance of Big 3
The Group operates in a market dominated by established traditional companies such as Universal, Warner and Sony (the "Big 3"). The Big 3 own or have the rights to a vast amount of content, a large amount of which may be similar to that owned or exploited by the Group. There is a risk that the Big 3 could exploit their recognised brands and use their marketing budgets to compete with the Group's targeted market, the consequence of which could lead to reduced sales and profitability for the Group.

Digital retailers' terms of business
The Group is dependent upon digital retailers such as iTunes and Spotify in order to sell its products in the digital market place. Changes in their terms of business and type of content they will distribute, as defined in their "style guides", can affect the performance of the Group.

Bad Debts
The traditional risk associated with customer insolvency, and inability or unwillingness to pay debts continues to be a threat which the Group constantly monitors.

Strategic Report
For the year ended 31 October 2018 - continued

Digital route to market
The digital market place has its own challenges with a reliance on consumers becoming internet literate and homes achieving a decent broadband connection. OMiP is a B2B and B2C supplier. We have no digital site of our own but supply over 200 legitimate digital stores worldwide through our key business partner. We are not dependent on any one store's marketing strengths as we supply our content to all.

Financial risk management objectives and policies
The Group's principal financial instruments comprise cash and cash equivalents. The Group has various other financial instruments such as trade receivables and trade payables, which arise from its operations.

The Group is exposed to a variety of financial risks which result from its operating activities. The Directors are responsible for co-ordinating the Group's risk management and focus on actively securing the Group's short and medium term cash flows. Long term financial investments are managed to generate lasting returns. The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group is exposed are described below:

Currency risk
The Group is exposed to foreign exchange risk in connection with its digital business where the revenue is transacted largely in US$ and the settlement of royalty and other liabilities arising from this revenue is partly denominated in US$.

Credit risk
The Group's credit risk is primarily attributable to its trade receivables and other debtors. The amounts presented in the Consolidated Statement of Financial Position are net of any allowances for doubtful receivables. The Group has a significant concentration of credit risk associated with its distributor of digital income.

Liquidity risk
The Group seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash and assets safely and profitably. Short term flexibility is achieved by the use of money markets to deposit excess cash which is not required in the short term. The Directors prepare cash flow forecasts on a regular basis to identify at an early stage any short term funding difficulties.

Significant shareholding
Apart from the Directors' shareholdings above the Company has been notified that there are four holdings in excess of 3% of the issued share capital of the Company at 8 April 2019. Canaccord Genuity Group Inc is holding 19.53% (26,486,751 ordinary shares of 0.5p each), BGF Investment Management Limited is holding 7.37% (10,000,000 ordinary shares of 0.5p each), Helium Special Situations Fund is holding 6.72% (9,111,108 ordinary shares of 0.5p each) and Gresham House Plc 3.63% (4,925,000 ordinary shares of 0.5p each).

Employee involvement
The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group. This is achieved through regular formal and informal updates and open access between all employees of the Group.

Disabled employees
Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their aptitudes and abilities. In the event of an employee becoming disabled, every effort will be made to retain them in order that their employment within the Group may continue. It is the policy of the Group that training, career development and promotion opportunities are available to all employees.

Technology
The Group takes a progressive view on the impact of technological developments. Changes to technology and related systems are openly embraced with the aim of giving the Group the most up to date platforms to work on and exploit its assets.

Strategic Report
For the year ended 31 October 2018 - continued

Research and development
The Group, in developing its internal technology based systems, undertakes Research and Development work the outcome of which may be uncertain. Work likely to have an on-going value is capitalised all other costs are expensed to the Profit and Loss account.

Key accounting policies
Principal accounting policies are included on pages 30 to 36, including critical accounting estimates and judgements on pages 34 and 35.

Cash flows
Full details of cash flows generated by the business are disclosed within the Consolidated Cash Flow Statement on page 29. The group generates sufficient cash flows through its ordinary operations, in combination with funds generated by company's listing on AIM, to achieve its objectives set out in the Executive Chairman's Report on page 1.

On behalf of the Board

Michael Antony Infante
Director
8 April 2019

Report of the Directors
For the year ended 31 October 2018

The Directors present their annual report together with the audited Consolidated financial statements of the Group for the year ended 31 October 2018.

Principal activities

The principal activities of the Group throughout the year were the acquisition and exploitation of mixed media intellectual property rights including music, video, spoken word and digital books for distribution through the digital medium and to a lesser extent through traditional media outlets. The Group also licenses its music content for use in TV and film, advertising, video games and corporate websites. The Group is a B2B and B2C content supplier. The Group continues to believe that the creation of its own dedicated consumer website is not yet of interest as that is the primary activity of its major customers. The Group outsources the supply of its digital content to this market primarily through The Orchard, its distributor for digital music and spoken-word services, and for video product via YouTube and other emerging visual market places.

Directors

The following Directors held office during the year:

Michael Antony Infante
Scott Cohen (resigned 8 April 2019)
Philip Miles
Ivan Dunleavy (appointed 9 April 2018)
Lord Michael Grade (appointed 9 April 2018)

Directors and their interests

The Directors' interests (including family interests) in the shares of the Company were as follows:

	Ordinary shares of 0.5p each	
	At 31 October 2018	**At 31 October 2017**
	Nos	**Nos**
Michael Antony Infante	25,577,862	25,577,862
Ivan Dunleavy	8,125,000	-
Lord Michael Grade	8,125,000	-
Scott Cohen	1,000,000	500,000
Philip Miles	438,340	438,340

	Share Options in Ordinary shares of 0.5p each	
	At 31 October 2017	**At 31 October 2016**
	at 2.75p each	**at 2.75p each**
	Nos	**Nos**
Michael Antony Infante	500,000	500,000

The options are exercisable at 2.75p per share on or by 6 March 2020.

Report of the Directors
For the year ended 31 October 2018 – continued

Directors and their interests continued

	Options in Ordinary shares of 0.5p each At 31 October 2018 at 9p each Nos	At 31 October 2017 at 9p each Nos
Michael Antony Infante	500,000	500,000
Scott Cohen	500,000	500,000
Philip Miles	500,000	500,000

The options are exercisable at 9p per share on or by 20 April 2022.

	Options in Ordinary shares of 0.5p each At 31 October 2018 at 14.5p each Nos	At 31 October 2017 at 14.5p each Nos
Philip Miles	100,000	100,000

The options are exercisable at 14.5p per share on or by 4 June 2021.

	Share Options in Ordinary shares of 0.5p each At 31 October 2018 at 9p each Nos	At 31 October 2017 at 9p each Nos
Michael Antony Infante	500,000	-
Scott Cohen	500,000	-
Philip Miles	500,000	-

The options are exercisable at 9p per share on or by 21 December 2022.

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the Profit or Loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether IFRS as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

Report of the Directors
For the year ended 31 October 2018 - continued

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

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

So far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

Auditors

James Cowper Kreston have expressed their willingness to continue in office. A resolution to re-appoint James Cowper Kreston in accordance with section 489 of the Companies Act 2006 will be proposed at the Annual General Meeting.

On behalf of the Board

Michael Antony Infante
Director
8 April 2019

Corporate Governance Report
For the year ended 31 October 2018

All members of the board believe strongly in the value and importance of good corporate governance and in our accountability to all of OMIP's stakeholders, including shareholders, staff, clients and suppliers. In the statement below, we explain our approach to governance, and how the board and its committees operate.

Changes to AIM rules on 30 March 2018 require AIM companies to apply a recognised corporate governance code by 28 September 2018. The corporate governance framework which the group operates, including board leadership and effectiveness, board remuneration, and internal control is based upon practices which the Board believes are proportional to the size, risks, complexity and operations of the business and is reflective of the group's values. Of the two widely recognised formal codes, we have therefore decided to adhere to the Quoted Companies Alliance's (QCA) Corporate Governance Code for small and mid-size quoted companies (revised in April 2018 to meet the new requirements of AIM Rule 26).

The QCA Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. We have considered how we apply each principle to the extent that the board judges these to be appropriate in the circumstances, and below we provide an explanation of the approach taken in relation to each. The Board considers that it does not depart from any of the principles of the QCA Code. The information below was last updated on 28 September 2018.

Board composition and compliance

The QCA Code requires that the boards of AIM companies have an appropriate balance between executive and non-executive directors. During the period under review we have strengthened the board following the appointment of Lord Michael Grade as Non-Executive Director and Ivan Dunleavy as Non-Executive Chairman of the Group on 9 April 2018. Lord Michael Ian Grade of Yarmouth, has a distinguished career as a television executive and businessman. His experience in broadcasting has encompassed leading roles at London Weekend Television, Channel 4, the BBC and ITV. Lord Grade was Chairman of Pinewood Group plc for 16 years until 2016. Other roles include being Non-Executive Chairman of media content businesses Infinity Creative Media Ltd and Gate Ventures plc. He is also, inter alia, a trustee of the Science Museum and Chairs the National Media Museum. Ivan Patrick Dunleavy, has been operating in the media industry for more than 35 years, including 17 years as CEO of Pinewood Group plc, Europe's largest provider of stage and studio space, including Pinewood Studios and Shepperton Studios. Ivan Dunleavy is currently Non-Executive Chairman of Milk VFX Ltd, an award-winning visual effects company, and has a number of other interests in the film and television production sector.

Board evaluation

For many years we have supported the QCA Code's principle to review regularly the effectiveness of the board's performance as a unit, as well as that of its committees and individual directors. The chairman led the most recent review in August 2018 and a number of refinements in working practices were identified as a result of this exercise and have since been adopted.

Shareholder engagement

We have made significant efforts to ensure effective engagement with both institutional and private shareholders. In addition to the usual roadshows following the release of full year and interim results, each of which was expanded to include a greater number of existing and potential new investors, we have actively promoted our AGM as a forum to present to and meet with shareholders.

The board has ultimate responsibility for reviewing and approving the Annual Report and Accounts and it has considered and endorsed the arrangements for their preparation, under the guidance of its audit committee. The directors confirm that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's position and performance, business model and strategy.

The following paragraphs set out OMIP's compliance with the ten principles of the QCA Code.

Corporate Governance Report - continued
For the year ended 31 October 2018

1. **Establish a strategy and business model which promotes long-term value for shareholders**

The Group is a B2B and B2C digital content provider, exploiting intellectual property rights around music and video. The Group specialises in acquiring and repackaging nostalgic music and TV programmes from recordings made over the last 90 years. The Group delivers digital music and video content via aggregators to over 600 online digital stores such as iTunes, Spotify, Amazon and YouTube. Consumers download or stream the content via PCs, smart phones, internet-enabled radios and music players and Smart TVs. The Group was founded in 2005 by Michael Infante, the Group's Chief Executive Officer, with a strategy to acquire mixed media content and digitise this media to exploit the shift from physical to digital formats.

The Group is listed on the Alternative Investment Market (AIM) of the London Stock Exchange (ticker OMIP).

The key challenges we face include:

Maintaining consistently high levels of quality – The digital ingestion and exploitation of music and video has evolved over the last 10 years. New standards and objectives are required on a regular basis and our internal team are trained and appraised to meet these exacting standards. Cross checking and regular self-assessment forms a regular part of our systems to ensure that all data is kept in its most precise form for our customers to either ingest into their own system or for audit purposes.

Ensuring security of client assets – All of our (and that of our customers) music and video data and metadata is secured on the safest of cloud based servers with all the latest safeguards that meet our industry's standards. The cloud based systems hosted by Amazon are regularly tested and are of the best available in our opinion for our service and use. Appraisals of their security are undertaken by our technical department in conjunction with our key customers' approval.

Delivering continuous availability – All of the group's data and day to day functionality is backed up across multi-platform, cross territorial servers that allow for catastrophic failures in localized systems. The Group's disaster recovery program is appraised annually together with the Group's insurance policies to ensure continuation of service.

Recruiting and retaining suitable staff – the Group's ability to execute its strategy is dependent on the skills and abilities of its staff. We undertake ongoing initiatives to foster good staff engagement and ensure that remuneration packages are competitive in the market. The Group has a small team of professional individuals trained for the Group's requirements in sales, technology and administration. New staff are sought via trusted agencies or are promoted through the ranks. We believe in recognising the skill sets of long term staff and reward via a share option scheme as well as competitive salary rates.

We believe we have the right strategy and service in place to deliver growth in sales over the medium to long term which will enable us to deliver sustainable shareholder value.

Departure and Reason - None

2. **Seek to understand and meet shareholder needs and expectations**

Responsibility for investor relations rests with the Chairman, supported by the CEO.

The Group is committed to communicating openly with its shareholders to ensure that its strategy and performance are clearly understood. We communicate with shareholders through the Annual Report and Accounts, full-year and half-year announcements, trading updates and the annual general meeting (AGM), and we encourage shareholders' participation in face-to-face meetings.

A range of corporate information (including all OMIP announcements) is also available to shareholders, investors and the public on our website.

Corporate Governance Report - continued
For the year ended 31 October 2018

The AGM is the principal forum for dialogue with shareholders, and we encourage all shareholders to attend and participate.

The Notice of Meeting is sent to shareholders at least 21 days before the meeting. The chairs of the board and all committees, together with all other directors whenever possible, attend the AGM and are available to answer questions raised by shareholders.

Shareholders vote on each resolution, by way of a poll. For each resolution we announce the number of votes received for, against and withheld and subsequently publish them on our website.

The directors actively seek to build a mutual understanding of objectives with institutional shareholders. The Chairman and CEO make presentations to institutional shareholders and analysts immediately following the release of the full-year and half-year results. We communicate with institutional investors frequently through a combination of formal meetings, roadshows and briefings with management.

The majority of meetings with shareholders and potential investors are arranged by the Company's broker. Following meetings, the broker provides feedback to the Board from all fund managers met.

In addition, we review analysts' notes to achieve a wider understanding of investors' views.

Departure and Reason – None

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

Staff

Our ability to fulfil client services and develop and enhance our audio and visual content relies on having talented and motivated staff. Good two-way communication with staff is a key requirement for high levels of engagement, fostering a culture of innovation. Six monthly updates occur with the invitation to staff to ask questions of management that are answered in the meetings.

All staff are encouraged to contribute to the intra-net (Podio) which provides industry and company insights as well as technical updates.

Clients

Our success and competitive advantage are dependent upon fulfilling client requirements, particularly in relation to quality of service, its speed of delivery and security. Understanding current and emerging requirements of clients enables us to develop new and enhanced services, together with software to support the fulfilment of those services.

Shareholders

As a public company we provide transparent, easy-to-understand and balanced information to ensure support and confidence.

Departure and Reason - None

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

Within the scope of the annual reporting, specific financial risks are evaluated in detail, including in relation to foreign currency, interest rates, liquidity and credit.

The key risks of the Company are set out in the Annual Report & Accounts.

In terms of risk management and the Group's financial systems, the Audit Committee prepares a report following the completion of each audit as to the quality and robustness of the systems and a copy of this is provided to the board which will consider the report at the board meeting held next following the completion of the report and acts on any recommendations contained in the report.

Staff are reminded on a regular basis to report, anonymously or otherwise, any security risks or threat they perceive in the operations of the business. On receipt of any such notification, a security incident team is assembled to assess and take remedial action as appropriate in the circumstances.

Staff are reminded on a regular basis that they should seek approval from the CEO if they, or their families, plan to trade in the Group's equities.

Departure and Reason - None

5. Maintain the board as a well-functioning, balanced team led by the chair

The members of the board have a collective responsibility and legal obligation to promote the interests of the Group, and are collectively responsible for defining corporate governance arrangements.

Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.

The Board consists of five directors of which three are executive and two non-executive, two of whom were appointed during the period.

The board is supported by two committees: audit and remuneration.

The board intends to appoint additional non-executive directors as its business expands.

Non-executive directors are required to attend 10-12 board and board committee meetings per year and to be available at other times as required for face-to-face and telephone meetings with the executive team and investors.

Departure and Reason - The board does not currently have a nominations committee. All members of the board are involved in the appointment of new directors, however the board is committed to keeping it under review and monitoring the prospective requirement periodically should the need arise to implement a separate nominations committee.

6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The five members of the board bring relevant sector experience in media and technology, all have at least nine years of public markets experience.

The board believes that its blend of relevant experience, skills and personal qualities and capabilities is sufficient to enable it to successfully execute its strategy. Directors attend seminars and other regulatory and trade events to ensure that their knowledge remains current.

Ivan Dunleavy, Executive Chairman

Term of office: Appointed as Chairman on 9 April 2018

Background and suitability for the role: Ivan has been operating in the media industry for more than 35 years, including 17 years as CEO of Pinewood Group plc, Europe's largest provider of stage and studio space, including Pinewood Studios and Shepperton Studios. This followed the purchase of Pinewood Studios from Rank in 2000 by a management team led by Lord Michael Grade and Ivan Dunleavy for £62m. As CEO of Pinewood, he led the growth of the business in the UK and internationally, and oversaw its sale in late 2016 for £323m. Prior to Pinewood, he was CEO of VCI plc, an audio-visual and audio publishing group. Other roles have included being on the Board of Creative Skillset (the sector skills council for the UK creative industries) and a member of the British Screen Advisory Council. Ivan Dunleavy is currently Non-Executive Chairman of Milk VFX Ltd, an award-winning visual effects company, and has a number of other interests in the film and television production sector.

Corporate Governance Report - continued
For the year ended 31 October 2018

Michael Infante, CEO

Term of office: Co-founder from the Group's inception in 2006.

Background and suitability for the role: Michael started his career in 1976 in the food industry working for his family's business, Creamery Fare. In 1988, after jointly orchestrating the sale of his family's business to the publicly listed Hazlewood Foods PLC, he joined the music industry. He worked on the Royal Philharmonic Orchestra's largest recording project as the executive producer for over 140 classical albums recorded at CTS studios in London. In 1995 Michael co-founded Air Music & Media Group PLC (now MBL Plc), which was admitted to trading on the OFEX market (the former name of PLUS, now ICAP) in 2000 and subsequently moved to AIM in 2001. Recognising the emerging digital market in 2005, Michael founded the Company. Michael oversees the Company's acquisition programme having introduced an acquisition policy for nostalgic audio/visual content and has made over 80 acquisitions to date of small music and TV content catalogues. Michael is a serving Justice of the Peace for the West London Local Justice Area.

Philip Miles, Technical Director

Term of office: Originally appointed director for One Media IP Ltd on 9 April 2007 and then appointed a director for the Group on 22 March 2016.

Background and suitability for the role: Philip is responsible for all technical and operational developments within the group and heads up the Research & Development team, which includes the new SAAS platform TCAT (Technical Copyright Analysis Tool).

Lord Michael Grade, Independent Non-Executive Director

Term of office: Appointed on 9 April 2018

Background and suitability for the role: Lord Michael Ian Grade of Yarmouth has a distinguished career as a television executive and businessman. His experience in broadcasting has encompassed leading roles at London Weekend Television, Channel 4, the BBC and ITV. Lord Grade was Chairman of Pinewood Group plc for 16 years until 2016. Other roles include being Non-Executive Chairman of media content businesses Infinity Creative Media Ltd and Gate Ventures plc. He is also, inter alia, a trustee of the Science Museum and Chairs the National Media Museum. In January 2011 he became a Conservative Party life peer, Baron Grade of Yarmouth.

Scott Cohen, Independent Non-Executive Director

Term of office: Appointed on 24 July 2007

Background and suitability for the role: Scott is the co-founder of the digital distribution company The Orchard which is a major digital distributor. As a well-recognised public speaker and lecturer, Scott travels the world promoting new business models for the digital age. He is a visiting professor at London Metropolitan University and sits on the British Phonographic Industry Council.

Steve Gunning, Company Secretary

Appointed as Group Financial Controller and Company Secretary in October 2016.

Steve began his career with Barclays Bank plc, where he gained an extensive knowledge of the banking environment, both personal and corporate followed by a move to Dixons Group plc, working in the Finance department. His career then took him to Share plc, an independent retail stockbroker, and to the position of Chief Accountant. After 8 years with Share plc he took a position as the company accountant for Kings Oak Homes Ltd (a subsidiary of Barratt Developments plc) responsible for group reporting.

In 2007 he joined e-Financial Management Ltd, managing a portfolio of clients providing outsourced finance solutions and expertise to SME's, before starting his own company in 2012 and now provides strategic and financial support to a diverse set of clients in the manufacturing, property, retail, media and education sectors. An Accountant with over 20 years' experience in the finance industry, both managing the finance function for a wide range of companies and being part of the senior management team. He has a CIMA Diploma in Management Accounting and is a member of the Association of Accounting Technicians.

Departure and Reason - None

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

A board evaluation process led by the chairman took place August 2018. The review considered effectiveness in a number of areas including general supervision and oversight, business risks and trends, succession and related matters, communications, ethics and compliance, corporate governance and individual contribution.

A number of refinements in working practices were identified as a result of this exercise and have since been adopted.

We will be considering the use of external facilitators in future board evaluations.

As the business expands, the executive directors will be challenged to identify potential internal candidates who could potentially occupy board positions, and set out development plans for these individuals.

Departure and Reason - None

8. Promote a corporate culture that is based on ethical values and behaviours

Our long-term growth is underpinned by our five core values, they are:

1. We place our customers first, putting ourselves in their shoes to understand the current and future needs of those who use our products and services, and always striving to exceed their expectations.
2. We have an enduring positive attitude that stems from being self-motivated, adaptable and agile and feeling fully empowered to make a difference, speaking out with ideas and suggestions to make things better.
3. We are team players who recognise that OMIP is a company worth much more than the sum of its parts, we are passionate about communicating with colleagues and with our customers and are committed to learning from one another.
4. We are committed to innovation in what we do and how we do it, and to working smarter rather than harder to reduce costs, increase efficiency and make lives easier by being creative, pragmatic and different.
5. We respect one another and are courteous, honest and straightforward in all our dealings, we honour diversity, individuality and personal differences, and are committed to conducting our business with the highest personal, professional and ethical standards.

The culture of the Group is characterised by these values which are communicated regularly to staff through internal communications and forums. The core values are communicated to prospective employees in the Group's recruitment programmes and are considered as part of the selection process.

The board believes that a culture that is based on the five core values is a competitive advantage and consistent with fulfilment of the group's mission and execution of its strategy.

Departure and Reason - None

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board provides strategic leadership for the group and operates within the scope of a robust corporate governance framework. Its purpose is to ensure the delivery of long-term shareholder value, which involves setting the culture, values and practices that operate throughout the business, and defining the strategic goals that the Group implements in its business plans. The Board defines a series of matters reserved for its decision and has approved terms of reference for its audit and remuneration committees to which certain responsibilities are delegated. The chair of each committee reports to the board on the activities of that committee.

The Audit Committee monitors the integrity of financial statements, oversees risk management and control and reviews external auditor independence.

The Remuneration Committee sets and reviews the compensation of executive directors including the setting of targets and performance frameworks for cash- and share-based awards.

The Executive Board, consisting of the executive directors, operates as a management committee, chaired by the Chairman, which reviews operational matters and performance of the business, and is responsible for significant management decisions while delegating other operational matters to individual managers within the business.

The Chairman has overall responsibility for corporate governance and in promoting high standards throughout the group. He leads and chairs the board, ensuring that committees are properly structured and operate with appropriate terms of reference, ensures that performance of individual directors, the board and its committees are reviewed on a regular basis, leads in the development of strategy and setting objectives, and oversees communication between the group and its shareholders.

The CEO provides coherent leadership and management of the group, leads the development of objectives, strategies and performance standards as agreed by the board, monitors, reviews and manages key risks and strategies with the board, ensures that the assets of the group are maintained and safeguarded, leads on investor relations activities to ensure communications and the Group's standing with shareholders and financial institutions is maintained, and ensures that the board is aware of the views and opinions of employees on relevant matters.

The Executive Directors are responsible for implementing and delivering the strategy and operational decisions agreed by the board, making operational and financial decisions required in the day-to-day operation of the Group, providing executive leadership to managers, championing the Group's core values and promoting talent management.

The Independent Non-Executive Directors contribute independent thinking and judgement through the application of their external experience and knowledge, scrutinise the performance of management, provide constructive challenge to the executive directors and ensure that the group is operating within the governance and risk framework approved by the board.

The Company Secretary is responsible for providing clear and timely information flow to the board and its committees and supports the board on matters of corporate governance and risk.

The matters reserved for the board are:

- Setting long-term objectives and commercial strategy.
- Approving annual operating and capital expenditure budgets.
- Changing the share capital or corporate structure of the group.
- Approving half-year and full-year results and reports.
- Approving dividend policy and the declaration of dividends.
- Approving acquisitions, investments, disposals, capital projects or contracts.
- Approving resolutions to be put to general meetings of shareholders and the associated documents or circulars.
- Approving changes to the board structure.

The board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared and will monitor the suitability of this code on an annual basis and revise its governance framework as appropriate as the Group evolves.

Corporate Governance Report - continued
For the year ended 31 October 2018

Departure and Reason - None

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company. In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist:

- the communication of shareholders' views to the board; and
- the shareholders' understanding of the unique circumstances and constraints faced by the company. It should be clear where these communication practices are described (annual report or website).

Historical annual reports and other governance-related material, notices of all general meetings over the last five years can be found on the website.

There have been no votes where a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting.

In addition to the investor relations activities described above, the following audit and remuneration committee reports are provided.

Audit Committee Report

The Audit Committee's continued focus is on the effectiveness of the controls throughout the group. Following the appointment of Lord Michael Grade the Audit Committee structure was reviewed and now consists of Lord Michael Grade, Chair, and Scott Cohen. The committee meets once a year, with the external auditor, the Group Financial Controller and CEO will be invited to attend these meetings.

Consideration will be given to the auditor's pre- and post-audit reports and these will provide opportunities to review the accounting policies, internal control and the financial information contained in both the annual and interim reports.

Remuneration Committee Report

The remit of the Remuneration Committee is to determine the framework, policy and level of remuneration, and to make recommendations to the board on the remuneration of executive directors. In addition, the committee oversees the creation and implementation of all-employee share plans. Following the appointment of Lord Michael Grade the Remuneration Committee structure was reviewed and now consists of Lord Michael Grade, Chair, and Scott Cohen. Due to the timings of the appointments the committee is yet to meet formally in the period but the intention will be to meet twice per year.

In setting remuneration packages the committee ensure that individual compensation levels, and total board compensation, are comparable with those of other AIM-listed companies.

During the period under review the Remuneration Committee has granted options to executive directors and employees of the company. In granting these options, the Remuneration Committee's objective was to attract, motivate and retain key staff over the long term, designed to incentivise delivery of the company's growth objectives.

Departure and Reason - None

Corporate Governance Report
For the year ended 31 October 2018 continued

Report on Remuneration

Directors' remuneration

The Board recognises that Directors' remuneration is of legitimate concern to shareholders. The Group operates within a competitive environment where performance depends on the individual contributions of the Directors and employees and the Group believes in rewarding vision and innovation.

Policy on Executive Directors' remuneration

The Remuneration Committee is chaired by Scott Cohen and supported by Michael Grade, both Non-Executive Directors. The Remuneration Committee met with the Executive Chairman at the beginning of the financial year to discuss, and subsequently agreed, their recommendations for Executive Directors remuneration for the year.

Remuneration of the Directors for the year ended 31 October 2018 is as follows:

	Fees and emoluments Year ended 31 October 2018	**Fees and emoluments Year ended 31 October 2017**
	£	**£**
Michael Antony Infante	136,812	112,245
Philip Miles	126,124	97,580
Scott Cohen	41,857	19,271
Ivan Dunleavy	13,750	-
Lord Michael Grade	11,250	-
	329,793	229,096

Bonuses and Performance Conditions

Included in the Fees and Emoluments for Michael Anthony Infante are taxable benefits in respect of Health Insurance of £5,919 (2017: £5,371), taxable benefit for a company car of £7,668 (2017: £7,280), attributable share option cost of £23,315 (2017: £4,271) and pension contributions of £2,850 (2017: £4,323). Michael Infante did not receive a bonus in the year (2017: £nil). Fees and Emoluments for Philip Miles include taxable benefit for a company car of £6,889 (2017: £5,358), attributable share option cost of £24,035 (2017: £4,326) and pension contributions of £2,700 (2017: £6,296). Philip Miles did not receive a bonus in the year (2017: £nil). Scott Cohen received £18,542 (2017: £15,000) for his role as non-executive director and £23,315 (2017: £4,271) attributable to share option costs. Ivan Dunleavy Fees include £13,750 (2017: £nil). Michael Grade Fees include £11,250 (2017: £nil).

Directors’ contracts do not include any specific performance criteria but implicit within their terms of their engagements is that at all times they will seek to enhance shareholder value. Apart from share options granted there are no other specific long term incentive plans for any of the Directors. The Company received qualifying services from 5 (2017: 4) Directors under long term incentive qualifying schemes.

Notice periods

The Directors have contracts which are terminable on twelve months’ notice on either side for Michael Infante and three months on either side for all the other Directors.

Independent Auditors' Report to the Members of One Media iP Group Plc

Opinion

We have audited the financial statements of One Media IP Group Plc (the 'Company') for the year ended 31 October 2018 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated and Company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group and of the parent company's affairs as at 31 October and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and, as regard the parent company's financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

An overview of the scope of our audit

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK and Ireland)'). Our audit approach was based on a thorough understanding of the company's business and is risk-based. We obtained an understanding the internal controls as required by Auditing Standards and carried out appropriate substantive and analytical procedures. We undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on our assessment of general and specific audit risks.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of

Independent Auditors' Report to the Members of One Media iP Group Plc

material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We determined that there were no key matters applicable to the parent company to communicate in our report.

Revenue recognition

Risk description

In common with most trading businesses, there is a risk of revenue being materially misstated, either by error or fraud.

How the scope of our audit responded to the risk

To assess the appropriateness and completeness of revenue recognised in the year we performed the following procedures:

- examined a sample of revenue transactions by reference to underlying source documentation;
- examined on a sample basis the different types of revenue recognised during the year and around the period end;
- reviewed manual journals posted to the revenue account in the period and subsequent to year-end gaining an understanding of the appropriateness of these;
- reviewed accrued income at the balance sheet date and assessed its accuracy by reference to underlying commercial agreements and subsequent events;
- considered the appropriateness and application of the Group's accounting policy for revenue recognition; and
- considered the disclosures in the financial statements regarding revenue.

Key observations

The results of our testing were satisfactory.

Completeness of royalty accrual

Risk description

The Company has a number of royalty agreements in place. Royalties are payable based on sales figures at certain rates. There is a risk that the royalty accrual may be understated or overstated.

How the scope of our audit responded to the risk

To assess the appropriateness and completeness of royalty accrual recognised in the year we performed the following procedures:

- gained an understanding through walkthroughs performed and discussions with management of the process in place for recognising royalty accruals; and
- examined a sample of royalty accruals and preformed a recalculation of the accrual.

Key observations

The results of our testing were satisfactory.

Independent Auditors' Report to the Members of One Media iP Group Plc

Valuation and existence of intangible assets

Risk description

The Company has a number of intangible assets of varying types. There are various risks associated with these assets including accurate capturing of costs to be capitalised, ensuring capitalised amounts meet the recognition criteria, and impairment risk.

How the scope of our audit responded to the risk

To assess the appropriateness of the application of accounting standards and the assumptions and judgements made by management in the recognition and measurement of intangibles we performed the following procedures:

- gained an understanding on how management recognise intangible assets of various classes;
- examined the assets recognised and considered their recognition against the criteria detailed in IAS 38;
- examined a sample of assets capitalised in the year to supporting evidence;
- reviewed amortisation calculations and considered the appropriateness of the rates applied;
- considered impairment risk and reviewed the impairment reviews prepared by management ;and
- considered the disclosures in the financial statements regarding intangibles.

Key observations

The results of our testing were satisfactory.

Our application of materiality

We define materiality as the magnitude of misstatement or omission in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgment we determined overall materiality for the financial statements as a whole to be £30,000 (2017: £23,000), based on 5% of operating profit. Performance materiality of £20,000 (2017: £17,000) was applied for testing and it was agreed with the board that we would report on all audit differences in excess of £1,500 (2017: £1,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Other information included in the annual report

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

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

We have nothing to report in this regard.

Independent Auditors' Report to the Members of One Media iP Group Plc

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Independent Auditors' Report
to the Members of One Media iP Group Plc

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

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Alan Poole BA (Hons) FCA (Senior Statutory Auditor)
For and on behalf of
James Cowper Kreston
Chartered Accountants and Statutory Auditors

Reading Bridge House
George Street
Reading
RG1 8LS

8 April 2019

Registered Number: 05799897
Consolidated Statement of Comprehensive Income
For the year ended 31 October 2018

	Note	Year ended 31 October 2018	Year ended 31 October 2017
		£	£
Revenue	1	2,702,374	2,337,624
Cost of sales		(1,325,448)	(1,281,897)
Gross profit		1,376,926	1,055,727
Administration expenses		(738,168)	(725,553)
Operating profit	2	638,758	330,174
Share based payments	15	(115,061)	(32,758)
Finance costs	3	(37,201)	-
Finance income	3	8	185
Profit on ordinary activities before taxation	4	486,504	297,601
Tax expense		(81,488)	(30,829)
Profit for period attributable to equity shareholders and total comprehensive income for the year		**405,016**	**266,772**
Basic earnings per share	7	**0.44p**	**0.38p**
Diluted earnings per share	7	**0.40p**	**0.35p**

The Consolidated Statement of Comprehensive Income has been prepared on the basis that all operations are continuing activities.

The notes on pages 30 to 50 form part of these financial statements.

Registered Number: 05799897
Consolidated Statement of Changes in Equity
For the year ended 31 October 2018

	Share Capital	Share redemption reserve	Share premium	Share based payment reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 November 2016	**355,268**	**239,546**	**1,457,645**	**74,440**	**1,309,977**	**3,436,876**
Share based payment charge	-	-	-	32,758	-	32,758
Profit for the year	-	-	-	-	266,772	266,772
At 1 November 2017	**355,268**	**239,546**	**1,457,645**	**107,198**	**1,576,749**	**3,736,406**
Proceeds from the issue of new shares	**322,750**	-	**2,983,000**	-	-	**3,305,750**
Fund raise costs	-	-	**(126,425)**	-	-	**(126,425)**
Share based payment charge	-	-	-	115,061	-	**115,061**
Profit for the year	-	-	-	-	405,016	**405,016**
At 31 October 2018	**678,018**	**239,546**	**4,314,220**	**222,259**	**1,981,765**	**7,435,808**

The notes on pages 30 to 50 form part of these financial statements.

Registered Number: 05799897

Consolidated Statement of Financial Position at 31 October 2018

	Note	At 31 October 2018	At 31 October 2017
		£	£
Assets			
Non-current assets			
Intangible assets	**8**	3,351,304	3,383,597
Property, plant and equipment	**9**	12,221	16,970
		3,363,525	3,400,567
Current assets			
Trade and other receivables	**11**	680,960	478,804
Cash and cash equivalents	**12**	5,576,379	383,051
Total current assets		6,257,339	861,855
Total assets		**9,620,864**	**4,262,422**
Liabilities			
Current liabilities			
Trade and other payables	**13**	526,224	491,619
Deferred tax	**14**	58,574	34,397
Total current liabilities		584,798	526,016
Borrowings	**21**	1,600,258	-
Total liabilities		**2,185,056**	**526,016**
Equity			
Called up share capital	**15**	678,018	355,268
Share redemption reserve		239,546	239,546
Share premium account		4,314,220	1,457,645
Share based payment reserve		222,259	107,198
Retained earnings		1,981,765	1,576,749
Total equity		**7,435,808**	**3,736,406**
Total equity and liabilities		**9,620,864**	**4,262,422**

The notes on pages 30 to 50 form part of these financial statements.

The Consolidated Financial Statements were approved by the Directors on 8 April 2019 and signed on their behalf by:

Michael Antony Infante
Director

Registered Number: 05799897
Company Statement of Financial Position at 31 October 2018

	Note	At 31 October 2018 £	At 31 October 2017 £
Assets			
Non-current assets			
Investments	**10**	493,817	493,817
Current assets			
Trade and other receivables	**11**	3,175,146	2,980,036
Cash and cash equivalents	**12**	4,894,080	61,631
Total current assets		8,069,226	3,041,667
Total assets		**8,563,043**	**3,535,484**
Liabilities			
Current liabilities			
Trade and other payables	**13**	57,148	33,419
Deferred tax	**14**	24,995	24,995
Total current liabilities		**82,143**	**58,414**
Borrowings	**21**	1,600,258	-
Total liabilities		**1,682,401**	**58,414**
Equity			
Called up share capital	**15**	678,018	355,268
Share redemption reserve	**16**	239,546	239,546
Share premium account	**16**	4,314,220	1,457,645
Share based payment reserve	**16**	222,259	107,198
Retained earnings	**16**	1,426,599	1,317,413
Total equity		**6,880,642**	**3,477,070**
Total equity and liabilities		**8,563,043**	**3,535,484**

The notes on pages 30 to 50 form part of these financial statements.

The Company Financial Statements were approved by the Directors on 8 April 2019 and signed on their behalf by:

Michael Antony Infant
Director

Registered Number: 05799897
Consolidated and Company Cash Flow Statement
For the year ended at 31 October 2018

	Year ended 31 October 2018 Group	Year ended 31 October 2017 Group	Year ended 31 October 2018 Company	Year ended 31 October 2017 Company
	£	£	£	£
Cash flows from operating activities				
Operating profit before tax	486,505	297,601	109,186	245,496
Amortisation	247,406	234,911	-	-
Depreciation	7,653	3,350	-	-
Share based payments	115,061	32,758	115,061	32,758
Finance income	(8)	(185)	(1)	(7)
Finance costs	37,201	-	37,201	-
(Increase) in receivables	(202,155)	(15,229)	(195,110)	(255,691)
Increase/(decrease) in payables	(87,013)	(267,761)	(13,472)	7,585
Corporation tax	27,104	-	-	-
Net cash inflow (outflow) from operating activities	631,754	285,445	52,865	30,141
Cash flows from investing activities				
Investment in intellectual property rights and TCAT	(215,113)	(224,375)	-	-
Investment in property, plant and equipment	(2,904)	(13,868)	-	-
Finance income	8	185	1	7
Net cash used in investing activities	(218,009)	(238,058)	**1**	**7**
Cash flows from financing activities				
Proceeds from the issue of new shares	3,305,750	-	3,305,750	-
Share issue costs	(126,425)	-	(126,425)	-
Loan notes	1,600,258	-	1,600,258	-
Net cash inflow (outflow) from financing activities	4,779,583	-	4,779,583	-
Net change in cash and cash equivalents	5,193,328	47,387	4,832,449	30,148
Cash at the beginning of the year	383,051	335,664	61,631	31,483
Cash at the end of the year	**5,576,379**	**383,051**	**4,894,080**	**61,631**

Principal Accounting Policies
For the year ended 31 October 2018

Basis of preparation

The Company is a public limited company incorporated and domiciled in England under the Companies Act 2006. The Board has adopted and complied with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Company's shares were admitted for trading on the AIM market of the London Stock Exchange on 18 April 2013.

Basis of consolidation

The Group financial statements consolidate those of the Company and all its subsidiary undertakings drawn up to the balance sheet date. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The Group obtains and exercises control through voting rights.

Unrealised gains or losses on transactions between the Group and its subsidiaries are eliminated. Amounts reported in the financial statements of subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are dealt with by the equity method. The equity method involves the recognition of the fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at fair values, which are also used as the basis for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition.

Revenue

The Group follows the principles of IAS18 "Revenue" in determining the appropriate revenue recognition policies. In principle therefore, revenue is recognised to the extent that the Group has obtained the right to consideration through its performance.

Revenue, excluding VAT, represents the value of income arising from digital distribution, licences and goods delivered or title passed. In the case of digital income revenue is recognised when reported to the Group and where reasonable estimates can be made of digital stores income still to be reported at any point of time.

In line with normal accounting practice revenue is reported gross received and receivable.

Commercial advances

To the extent that commercial advances are un-recouped at the year end any outstanding amounts are included in Other payables. The outstanding balances are calculated in line with underlying contractual obligations.

Principal Accounting Policies
For the year ended 31 October 2018

Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred income taxes are calculated using the liability method of temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. However deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable the reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Intangible assets

Licences and other intangible assets
Licences and other intangible assets, including labour capitalised under IAS38 Intangible Assets, are valued at cost less accumulated amortisation. Capitalised labour represents costs incurred in "ingesting" products and the compilation of existing content into new and revised albums. Amortisation is calculated to write off the cost in equal amounts over the life of the licences and other intangible assets (between 24 months and 25 years). Licences and intangible assets are subject to annual impairment reviews.

Assets acquired as part of a business combination
In accordance with IFRS 3 revised “Business Combinations", an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. The fair value is then amortised over the economic life of the assets. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the Group of assets is recognised as a single asset separable from goodwill where the individual fair values of the assets in the Group are not reliably measurable. Where the individual fair value of the complimentary assets are not reliably measurable, the Group recognises them as a single asset provided the individual assets have similar useful lives.

Impairment of intangible assets, property, plant and equipment
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units, other than intangible assets with an identifiable useful life, and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

An impairment loss is recognised in the income statement for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units are charged to the assets in the cash generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the assets recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of amortisation, if no impairment had been recognised.

Principal Accounting Policies
For the year ended 31 October 2018

Financial assets

The Group's financial assets include cash and other receivables.

All financial assets are recognised when the Group becomes party to the contractual provisions of the investment. All financial assets are initially recognised at fair value, plus transaction costs.

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in the income statement when received, regardless of how the related carrying amount of financial assets is measured.

Trade and other receivables are subsequently measured at amortised cost. Trade and other receivables are provided against when objective evidence is received that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated cash flows.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits, together with short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value with original maturities of three months or less from the date of acquisition.

Equity

The share capital is determined using the nominal value of shares that have been issued.

The share premium account represents premiums received on the initial issuing of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings include all current and prior period results as disclosed in the income statement.

Financial liabilities

The Group's financial liabilities include trade and other payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes party to the contractual provisions of the instrument.

All financial liabilities are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest charges recognised as an expense in the income statement.

Dividend distributions to shareholders are included in "other short term financial liabilities" when dividends are approved by the shareholders' before the year end.

Principal Accounting Policies
For the year ended 31 October 2018

Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group and they can be estimated reasonably. Timing or the amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. For example, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of the settlement of the present obligation is recognised, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long term provisions are discounted to present values, where the time value of money is material. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of the present obligation is considered improbable or remote, or the amount to be provided cannot be measured reliably, no liability is recognised in the balance sheet. Probable inflows of economic benefits to the Group that do not yet meet the recognition criteria are considered contingent assets.

Property, plant and equipment

Measurement basis

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. In the case of new internally generated software creation and improvements this includes capitalised labour. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to the income statement during the period in which they are incurred.

When assets are sold any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets is included in the income statement.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Fund raise costs

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Principal Accounting Policies
For the year ended 31 October 2018

Property, plant and equipment - continued

Depreciation

Depreciation is calculated so as to write off the cost of property, plant and equipment, less its estimated residual value, which is revised annually, over its useful economic life as follows:

Furniture and fixtures - 33.33% straight line
Office equipment - 33.33% straight line

Investment in subsidiary

Investment in subsidiary undertakings is shown at cost, less any provision for impairment.

Foreign currency

The Consolidated Financial Statements are presented in UK Sterling which is also the functional currency of the parent Company. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the Income Statement.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Operating segments

A segment is a distinguishable component of the Group that is engaged either in a particular business (business segment) or conducting business in a particular geographic area (geographic segment), which is subject to risks and rewards that are different from other segments.

The Group operates in one significant business segment which is the digital “net-label” market, the results of which are seen in the Consolidated Statement of Comprehensive Income.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions about the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below.

Principal Accounting Policies
For the year ended 31 October 2018

Impairment of assets

The Group conducts impairment reviews of assets when events or changes in circumstances indicate that the carrying amounts may not be recoverable annually, or in accordance with the relevant accounting standards. An impairment loss is recognised when the carrying amount of an asset is higher than the greater of its net selling price or the value in use. In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are made in respect of the potential impairment of goodwill, intellectual property, licences and other intangible assets.

Internally generated intangible assets and software systems

The Group capitalises labour in respect of intangible assets and internally generated software. Significant judgement is required in estimating the time and cost involved in these activities and distinguishing the research from the development phase. Development costs are recognised as an asset whereas research costs are expensed as incurred.

Share option and warrant policy

The Group has applied the requirements of IFRS 2 Share-Based Payment.

The Group operates both approved and unapproved share option and warrant schemes for the Directors, senior management and certain employees.

Where share options and warrants are awarded, the fair value of the instruments at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that ultimately the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted, as long as other vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of the instruments are modified before they vest, any increase in fair value of these instruments, measured immediately before and after the modification is also charged to the Statement of Comprehensive Income over the remaining vesting period.

Fair value is measured using the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral conditions.

Fundraising costs

Fundraise costs have been allocated to the balance sheet and are amortised over the period of the debt facility.

Adoption of new or amended IFRS

The Group has adopted the following revisions and amendments to IFRS issued by the International Accounting Standards Board, which are relevant to and effective for the Group's financial statements for the period beginning 1 November 2017.

- IAS 7 Disclosure Initiatives – Amendments to IAS 7
- IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12
- AIP IFRS 12 Disclosure of Interests in Other Entities - Clarification of the scope of the disclosure requirements in IFRS 12

The Directors have assessed that the adoption of these revisions and amendments did not have an impact on the financial position or performance of the Group.

Principal Accounting Policies
For the year ended 31 October 2018

Adoption of new or amended IFRS – continued

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

Effective date – periods beginning on or after 1 January 2018

- IFRS 2 Classification and Measurement of Share based Payment Transactions- Amendments to IFRS 2
- IFRS 9 Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition.
- IFRS 15 Revenue from Contracts with Customers
- IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration
- AIP IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters
- AIP IAS 28 Investments in Associates and Joint Ventures - clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice
- IAS40 Investment Property – Amendments to clarify transfers of property to, or from, investment property.

Effective date – periods beginning on or after 1 January 2019

- IFRS 16 Leases
- IFRS 3 Business combinations – amendments resulting from Annual Improvements 2015-2017 Cycle
- IFRS 9 financial instruments – amendments regarding prepayment features with negative compensation and modifications of financial liabilities.
- IFRS11 Joint arrangements- Amendments resulting from Annual improvements 2015-2017 Cycle
- IAS 12 Income taxes - Amendments resulting from Annual improvements 2015-2017 Cycle
- IAS 19 Employee benefits – amendments regarding plan amendments, curtailments or settlements.
- AIP IAS 28 Investments in Associates and Joint Ventures – Amendments regarding long-term interests in associates and joint ventures
- IFRIC 23 Uncertainty over Income tax treatments - Judgement is required to determine whether each tax treatment should be considered independently or whether some tax treatments should be considered together, a decision based upon which approach provides better predictions of the resolution of the uncertainty.

Effective date – periods beginning on or after 1 January 2020

- IFRS3 – amendments to clarify the definition of a business
- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – amendment regarding the definition of material

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

1. Revenue

Revenue is the amount attributable to the Group's principal activity undertaken in the United Kingdom. The geographic split of Group revenue is as follows:

	Year ended 31 October 2018	Year ended 31 October 2017
	£	£
United Kingdom	108,207	130,708
North America and Canada	2,241,357	1,941,944
Europe	352,810	264,972
	2,702,374	2,337,624

The Group considers it has one business segment with all its Profit ultimately earned from its sole activity in the United Kingdom.

Included in revenues for the year ended 31 October 2018 it is estimated that £624,000 (2017: £602,000) is from its largest ultimate customer and £399,000 (2017: £402,000) from its second largest ultimate customer. Together these represent 37.9% (2017: 43.0%) of the total Group revenue for the year. In addition, the company relies on a distribution aggregator (The Orchard) who channels approximately 73% (2017: 71%) of the Group's turnover. The Group also received additional income in the year of £276,160 (2017: £nil) from digital music sources based on the Groups relationships with its key distribution partners.

2. Operating profit

Operating profit is stated after charging:

Group	Year ended 31 October 2018	Year ended 31 October 2017
	£	£
Directors' remuneration	268,845	297,015
Amortisation of licences and other intangible assets	247,406	234,911
Depreciation of plant, property and equipment	7,653	3,350
Operating leases	56,903	53,862
Auditors' remuneration - audit fees	13,150	12,750
Auditors' remuneration - taxation	4,125	4,000
Bad debts	-	(10,969)
Difference on foreign exchange	(6,105)	5,507

Included in audit fees above is £6,500 (2017: £5,500) for the audit of the parent Company.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

3. Finance cost and finance income

	Year ended 31 October 2018 £	Year ended 31 October 2017 £
Finance costs	(37,201)	-
Interest receivable	8	185

4. Taxation

	Year ended 31 October 2018 £	Year ended 31 October 2017 £
Analysis of the charge for the year		
Adjustments to tax charge in respect of prior years	2,272	(22,940)
UK corporation tax charge	55,018	24,833
Deferred tax	24,198	28,936
	81,488	30,829

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2017: 19.41%). The actual tax charge for the periods is different than the standard rate for the reasons set out in the following reconciliation:

Reconciliation of current tax charge	Year ended 31 October 2018 £	Year ended 31 October 2017 £
Profit on ordinary activities before tax	486,504	297,601
Tax on profit on ordinary activities at 19% (2017: 19.41%)	92,436	57,765
Effects of:		
Non-deductible expenses	24,660	9,304
Adjustments to tax charge in respect of previous periods	1,878	(8,270)
Fixed asset timing differences	24,198	11,579
Depreciation in excess of capital allowances	520	(660)
Share scheme deduction	-	-
Research and development	(62,204)	(38,889)
Total tax charge	81,488	30,829

At the reporting date the tax rates substantially enacted are 19% from 1 April 2017 and 17% from 1 April 2020. Deferred tax has been measured using the average rate expected to apply in the period in which the timing differences will reverse using these substantively enacted rates.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

5. Employee information

	Year ended 31 October 2018	Year ended 31 October 2017
	£	£
Directors' emoluments - excluding applicable share option and pension charges	201,029	188,590
Fees paid to directors	43,542	81,921
Share option charge	115,061	32,758
Wages and salaries	325,139	254,101
Social security	45,736	22,057
Pension	11,386	16,216
Benefit in kind	14,557	12,638
	756,450	608,281

Included within wages and salaries is £180 (2017: £5,160) paid to Mr C Miles, Mr P Miles son, in respect of IT consultancy.

The average monthly number of Group employees (excluding non-executive directors) during the year was as follows:

	Year ended 31 October 2018	Year ended 31 October 2017
Technical, creative technicians and management	12	11

6. Parent Company Profit and Loss Account

The profit for the year to 31 October 2018 dealt within in the financial statements of the parent Company was £109,186 (2017: £220,501). As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is prepared for the parent Company.

7. Earnings per share

The weighted average number of shares in issue for the basic earnings per share calculations is 92,244,794 (2017: 71,053,698) and for the diluted earnings per share assuming the exercise of all warrants and share options is 100,714,200 (2017: 75,653,698).

The calculation of basic earnings per share is based on the profit for the period of £405,016 (2017: £266,772). Based on the weighted average number of shares in issue during the year of 92,244,794 (2017: 71,053,698) the basic earnings per share is 0.44p (2017: 0.38p). The diluted earnings per share is based on 100,714,200 shares (2017: 75,653,698) and is 0.40p (2017: 0.35p).

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

8. Intangible assets - Group

	Licences and other intangible assets
	£
Cost	
At 1 November 2016	4,387,388
Additions	228,543
Disposals	(5,000)
At 31 October 2017	4,610,931
Additions	215,113
Disposals	-
At 31 October 2018	4,826,044
Amortisation	
At 1 November 2016	993,254
Charge for the year	234,911
Disposals	(831)
At 31 October 2017	1,227,334
Charge for the year	247,406
Disposals	-
At 31 October 2018	1,474,740
Net book value	
At 31 October 2018	3,351,304
At 31 October 2017	3,383,597

All amortisation is included in Cost of sales in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

9. Property, plant and equipment - Group

	Office equipment	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 November 2016	47,722	10,643	58,365
Additions	13,868	-	13,868
Disposals	-	-	-
At 31 October 2017	61,590	10,643	72,233
Additions	2,255	651	2,906
Disposals	-	-	-
At 31 October 2018	63,845	11,294	75,139
Depreciation			
At 1 November 2016	41,860	10,053	51,913
Charge for the year	2,819	531	3,350
Disposals	-	-	-
At 31 October 2017	44,679	10,584	55,263
Charge for the year	7,576	77	7,653
Disposals	-	-	-
At 31 October 2018	52,255	10,661	62,916
Net book value			
At 31 October 2018	11,590	633	12,223
At 31 October 2017	16,911	59	16,970

All depreciation is included in administrative expenses in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

10. Investment in subsidiary undertakings

	Total £
At 1 November 2017 and 31 October 2018	493,817

The Company holds interests in the following subsidiary undertakings.

Company	Country of incorporation	Nature of business	Class of shares	Share held %
One Media iP Limited Company number 05536271	England and Wales	Audio-visual content	Ordinary	100%
Collecting Records LLP Company number OC307927	England and Wales	Dormant	Partnership	99%
One Media Intellectual Property Limited Company number 08224199	England and Wales	Dormant	Ordinary	100%
One Media Publishing Limited Company number 082123128	England and Wales	Dormant	Ordinary	100%
OMIP Ltd Company number 10585974	England and Wales	Dormant	Ordinary	100%
TCAT Limited Company number 10586072	England and Wales	Dormant	Ordinary	100%
Men & Motors Limited Company number 10582506	England and Wales	Dormant	Ordinary	100%

The Company's investment at the balance sheet date is 100% of the share capital of the unlisted companies One Media iP Limited, One Media Intellectual Property Limited, One Media Publishing Limited, OMIP Ltd, TCAT Limited and Men & Motors Limited. One Media iP Group Plc owns 99% of the Limited Liability Partnership Collecting Records LLP with the other 1% of the Limited Liability Partnership Collecting Records LLP held by One Media iP Limited. All of the above subsidiaries principal place of business is 623 East Props Building, Pinewood Studios, Iver Heath, Bucks SL0 0NH.

All the above activities are included in the consolidated financial statements.

11. Receivables

	Year ended 31 October 2018 Group £	Year ended 31 October 2017 Group £	Year ended 31 October 2018 Company £	Year ended 31 October 2017 Company £
Amounts owed by group undertakings	-	-	3,142,098	2,965,945
Trade receivables	122,205	101,070	-	-
Other receivables	528,461	351,609	18,930	1,983
Prepayments	30,294	26,125	14,118	12,108
	680,960	478,804	3,175,146	2,980,036

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

11. Receivables – continued

Trade and other receivables are usually due within 30 to 90 days and do not bear any effective interest. A provision of £nil (2017: £nil) was made for doubtful debts at 31 October 2018. The movement in the provision for impairment during the year is as follows:

	Total
	£
At 1 November 2016	12,823
Provision for impairment	(12,823)
At 31 October 2017	-
Release of provision for impairment	-
At 31 October 2018	**-**

12. Cash and cash equivalents

An analysis of cash and cash equivalent balances by currency is shown below:

	Year ended 31 October 2018 Group	**Year ended 31 October 2017 Group**	**Year ended 31 October 2018 Company**	**Year ended 31 October 2017 Company**
	£	**£**	**£**	**£**
GB£	4,951,356	323,788	4,894,080	61,631
US$	604,238	48,816	-	-
Euro	20,785	10,447	-	-
	5,576,379	383,051	4,894,080	61,631

13. Trade and other payables

	Year ended 31 October 2018 Group £	**Year ended 31 October 2017 Group £**	**Year ended 31 October 2018 Company £**	**Year ended 31 October 2017 Company £**
Current				
Trade payables	58,529	85,121	19,134	26,919
Social security and other taxes	16,997	7,763	-	-
Corporation tax	53,522	1,893	-	-
Accruals & deferred Income	59,928	73,941	38,014	6,500
Other payables	337,248	322,901	-	-
	526,224	491,619	57,148	33,419

The fair value of trade and other payables has not been disclosed as, due to their short duration, management considers the carrying amounts recognised in the balance sheet to be a reasonable approximation of their fair value.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

14. Deferred tax liability

Group	Year ended 31 October 2018	Year ended 31 October 2017
	£	£
Opening balance	34,397	5,960
Origination and reversal of timing differences	24,177	14,266
Adjustments in respect of prior periods	-	14,171
Total deferred tax liability	58,574	34,397

The Group has estimated trading losses of £nil (2017: £nil) available for carry forward against future trading profits.

Company	Year ended 31 October 2018	Year ended 31 October 2017
	£	£
Opening balance	24,995	-
Other timing differences	-	28,823
Unrelieved tax losses	-	(3,828)
Total deferred tax liability	24,995	24,995

15. Share capital

Group and Company	2018	2017
	£	£
Authorised:		
200,000,000 ordinary shares of 0.5p each	1,000,000	1,000,000
Issued:		
135,603,699 (2017: 71,053,698) ordinary shares of 0.5p each	678,018	355,268

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

15. Share capital - continued

The movement in the issued share capital over the last year has been as follows:

	£	Price	
31 October 2017	355,268		
Issued in year			
15 December 2017	75,000	2.50p	An investment of 15,000,000 ordinary shares of 0.5p each at 2.5p per share. The difference between the total consideration received of £375,000 and the nominal value of the shares issued of £750,000 has been transferred to the share premium account.
23 January 2018	2,500	2.75p	One employee exercised options on 500,000 ordinary shares of 0.5p each at 2.75p per share. The difference between the total consideration received of £13,750 and the nominal value of the shares issued of £2,500 has been transferred to the share premium account.
28 February 2018	1,000	2.75p	One employee exercised options on 200,000 ordinary shares of 0.5p each at 2.75p per share. The difference between the total consideration received of £5,500 and the nominal value of the shares issued of £1,000 has been transferred to the share premium account.
1 March 2018	2,500	2.75p	One employee exercised options on 500,000 ordinary shares of 0.5p each at 2.75p per share. The difference between the total consideration received of £13,750 and the nominal value of the shares issued of £2,500 has been transferred to the share premium account.
2 March 2018	500	2.75p	One employee exercised options on 100,000 ordinary shares of 0.5p each at 2.75p per share. The difference between the total consideration received of £2,750 and the nominal value of the shares issued of £500 has been transferred to the share premium account.
25 September 2018	241,250	6.00p	An investment of 48,250,001 ordinary shares of 0.5p each at 6p per share. The difference between the total consideration received of £2,895,000 and the nominal value of the shares issued of £2,653,750 has been transferred to the share premium account.
Movement in year	322,750		
Balance as at 31 October 2018	**678,018**		

At 31 October 2018 500,000 (2017: 1,800,000) share options of 2.75p, granted on 7 March 2011, were outstanding. The number of Directors holding share options at 31 October 2018 was 1 (2017: 2). The options are exercisable on or before 6 March 2020.

On 5 June 2014 a further 400,000 share options of 14.5p were issued to 1 director and 3 members of staff and remain outstanding at 31 October 2018 (2017: 500,000). These options are exercisable on or before 4 June 2021.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

15. Share capital - continued

On 21 April 2015 a further 1,800,000 share options of 9p were issued to 3 directors and 2 members of staff and remain outstanding at 31 October 2018 (2017: 1,800,000). These options are exercisable on or before 20 April 2022.

On 2 September 2016 a further 500,000 share options of 5p were issued to 1 member of staff and remain outstanding at 31 October 2018 (2017: 500,000). These options are exercisable on or before 1 September 2021.

On 22 December 2017 a further 2,500,000 share options of 9p were issued to 3 directors and 2 members of staff and remain outstanding at 31 October 2018. These options are exercisable on or before 21 December 2022.

All share options issues were made to underpin key Directors and senior staff service conditions. The share based payment charge in relation to these share options is spread over the period of subscription.

The share price of the options granted on 7 March 2011 was 2.75p per share. The Fair Value of these options, based on the Black Scholes model, was 4.15p per share based on a risk free interest rate of 5% and a volatility of 40%. A share option charge of £2,595 has been made for the year ended 31 October 2018 (2017: £4,591).

The share price of the options granted on 5 June 2014 was 14.5p per share. The Fair Value of these options, based on the Black Scholes model, was 21.87p per share based on a risk free interest rate of 5% and a volatility of 40%. A share option charge of £4,210 has been made for the year ended 31 October 2018 (2017: £7,368).

The share price of the options granted on 21 April 2015 was 9p per share. The Fair Value of these options, based on the Black Scholes model, was 13.57p per share based on a risk free interest rate of 5% and a volatility of 40%. A share option charge of £11,783 has been made for the year ended 31 October 2018 (2017: £18,984).

The share price of the options granted on 22 December 2017 was 9p per share. The Fair Value of these options, based on the Black Scholes model, was 12.86p per share based on a risk free interest rate of 5% and a volatility of 40%. A share option charge of £96,473 has been made for the year ended 31 October 2018 (2017: £nil).

The share price of the options granted on 25 September 2018 was 6p per share. The Fair Value of these options, based on the Black Scholes model, was 8.57p per share based on a risk free interest rate of 5% and a volatility of 40%. A share option charge of £nil has been made for the year ended 31 October 2018 (2017: £nil).

16. Company reserves

	Share redemption reserve	Share premium	Share based payment reserve	Retained earnings	Total
	£	£	£	£	£
At 1 November 2016	**239,546**	**1,457,645**	**74,440**	**1,096,912**	**2,868,543**
Proceeds from the issue of new shares	-	-	-	-	-
Share based payment charge	-	-	32,758	-	32,758
Profit for the year	-	-	-	220,501	220,501
At 1 November 2017	**239,546**	**1,457,645**	**107,198**	**1,317,413**	**3,121,802**
Proceeds from the issue of new shares	-	2,983,000	-	-	2,983,000
Fund raise costs	-	(126,425)	-	-	(126,425)
Share based payment charge	-	-	115,061	-	115,061
Profit for the year	-	-		109,186	109,186
At 31 October 2018	**239,546**	**4,314,220**	**222,259**	**1,426,599**	**6,202,624**

The Consolidated Statement of Changes in Equity is shown on page 21.

17. Dividends per share

The total dividend paid in the year ended 31 October 2018 was £nil (2017: £nil).

18. Contingent liabilities

Due to the nature of the business, from time to time, claims will be made against the Group. Nonetheless, the Directors are not aware of any claims that are likely to be successful and, in their opinion, result in a material liability.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

19. Capital commitments

There were no capital commitments at 31 October 2018 or at 31 October 2017.

20. Operating lease commitments

	Within one year	1 to 5 years	2018 Total	Within one year	1 to 5 years	2017 Total
	£	£	£	£	£	£
Rent	48,115	36,086	84,201	40,911	-	40,911
Vehicles	7,691	5,034	12,725	16,123	6,017	22,140
	55,806	41,120	96,926	57,034	6,017	63,051

The lease for rent is due to expire on 31 July 2020 and for the vehicles leases expire during 2020. The Company has no other operating lease commitments.

21. Financial instruments

The Group uses financial instruments comprising cash and cash equivalents, other loans and various other short-term instruments such as trade receivables and trade payables which arise from its operations. The main purpose of these financial instruments is to fund the Group's business strategy and the short-term working capital requirements of the business.

Financial assets by category

Categories of financial asset included in the Consolidated Statement of Financial Position are as follows:

	Loans and receivables	Non financial assets	2018 Total	Loans and receivables	Non financial assets	2017 Total
	£	£	£	£	£	£
Licenses and other intangible assets	-	3,351,304	3,351,304	-	3,383,597	3,383,597
Property, plant and equipment	-	12,221	12,221	-	16,970	16,970
Trade receivables	122,205	-	122,205	101,070	-	101,070
Other receivables	528,461	-	528,461	351,609	-	351,609
Prepayments	30,294	-	30,294	26,125	-	26,125
Cash and cash equivalents	5,576,379	-	5,576,379	383,051	-	383,051
	6,257,339	3,363,525	9,620,864	861,855	3,400,567	4,262,422

Included within loan and receivables above are cash and cash equivalents of £4,894,080 (2017: £61,631), and trade and other receivables of £33,049 (2017: £14,091) excluding amounts owed by group undertakings in relation to the company.

Trade Debtors at 31 October 2018 of £122,205 (2017: £121,288) include £78,795 (2017: £63,503) payable in $USD and £7,748 (2017: £6,948) payable in Euro.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

21. Financial instruments - continued

Financial liabilities by category

Categories of financial liabilities included in the Consolidated Statement of Financial Position are as follows:

	Other financial liabilities at amortised cost	Liabilities not within the scope of IAS 39	2018 Total	Other financial liabilities at amortised cost	Liabilities not within the scope of IAS 39	2017 Total
	£	£	£	£	£	£
Trade payables	58,529	-	58,529	85,121	-	85,121
Social security and other taxes	16,997	-	16,997	7,763	-	7,763
Corporation tax	53,522	-	53,522	1,893	-	1,893
Deferred tax	58,574	-	58,574	-	34,397	34,397
Accruals and deferred income	-	28,413	28,413	-	73,941	73,941
Other payables	368,763	-	368,763	322,901	-	322,901
Borrowings	1,600,258	-	1,600,258	-	-	-
	2,156,643	28,413	2,185,056	417,678	108,338	526,016

Included within other financial liabilities are trade payables of £19,133 (2017: £26,918) and other payables of £6,500 (2017: £6,500) in relation to the company.

The Group is exposed to a variety of financial risks which result from its operating activities. The Board is responsible for co-ordinating the Group's risk management and focuses on actively securing the Group's short to medium term cash flows. Long term investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group is exposed are described below:

Credit risk

The Group's credit risk is primarily attributable to its trade receivables, other receivables and cash and cash equivalents. The amounts presented in the Consolidated Statement of Financial Position are net of any allowances for doubtful receivables. The Group has a significant concentration of credit risk associated with its distributor of digital content, The Orchard. Cash at bank is all held with highly rated banks or deposit takers, the suitability of which is constantly reviewed. The maximum credit to which the Group is exposed, including Cash at bank of £5,576,379 is £6,257,339 (2017: £861,855).

Liquidity risk

The Group seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash and assets safely and profitably. Short term flexibility is achieved by the use of money markets to deposit excess cash which is not required in the short term. The directors prepare cash flow forecasts on a regular basis to identify at an early stage any short term funding difficulties.

All the financial liabilities noted above, with the exception of the liability to deferred tax of £58,574 (2017: £34,397) and borrowings of £1,600,258 (2017: £nil), are expected to result in cash outflow within six months of the year end. At 31 October 2018, £412,775 (2017: £415,785) of the financial liabilities were expected to result in cash outflow within six months of the year end.

Notes to the Consolidated Financial Statements
For the year ended 31 October 2018

21. Financial instruments - continued

Currency risk

The Group is exposed to foreign exchange risk in connection with its digital downloading and streaming business where the revenue is largely transacted in US$ and the settlement of royalty and other liabilities arising from this revenue is largely denominated in US$.

Included in Cash and cash equivalents, Trade receivables and Other receivables is USD$1,297,273 (2017: USD$531,198) equivalent to £1,018,028 (2017: £402,423) and Euro 31,958 (2017: Euro 19,656) equivalent to £28,534 (2017: £17,395) payable in Euro. If the foreign exchange rate was 10% different from the rate used at the year end there would be an under/over statement of assets of £116,285 (2017: £46,646).

Included in Accruals & deferred income and Other payables is USD$5,602 (2017: USD$32,912) equivalent to £4,396 (2017: £24,933) payable in USD$. If the foreign exchange rate was 10% different from the rate used at the year end there would be an under/overstatement of liabilities of £488 (2017: £2,770).

22. Related party transactions

There were no related party transactions in the year under review or in the year ended 31 October 2018 nor 31 October 2017, other than transactions with the directors as disclosed in the Directors' Report and note 5 to the financial statements.

At 31 October 2018 the principal operating subsidiary One Media iP Limited owed the Company £3,142,098 (2017: £2,965,945). No formal inter-company loan agreement is in existence between the Company and its subsidiaries. During the year the Company made a management charge of £202,559 (2017: £198,509) against One Media iP Limited and received a dividend of £300,000 (2017: £300,000).

23. Post balance sheet events

As announced on the 21 January 2019 the Company has received a signed contract for a recoupable advance of US$1,000,000 that has been made by one of the Company’s distributors. The advance will be used for general working capital purposes. The advance covers the period up until 31 December 2020 and is recoupable by the Distributor against future sales by the Company. In the event that the requisite sales are not met, the Distributor has the option but not the obligation to immediately recoup the outstanding amount.

Also, on the 25 February 2019 the company announced that it had acquired the music catalogue of Locomotive Records, an independent record label based in Spain, for a total consideration of US $750,000, of which US $550,000 was due immediately with a further US $200,000 in deferred payment. The total consideration is to be satisfied with the Company’s existing cash resources.

Michael Infante, a director of the Company, has an option over 500,000 ordinary shares in the Company exercisable at a price of 2.75 pence per share for an exercise period to 6 March 2019. The Company has agreed to amend the terms of this option agreement by extending the exercise date to 6 March 2020. All other terms of the option agreement remain unchanged.

On 9 April 2019 the company announced that it had acquired certain rights relating to the composition and writers share of the income in the Michael Dulaney catalogue of songs, an American country music songwriter from Nashville, Tennessee, for a total consideration of US $850,000, to be satisfied in cash.

About One Media iP Group Plc

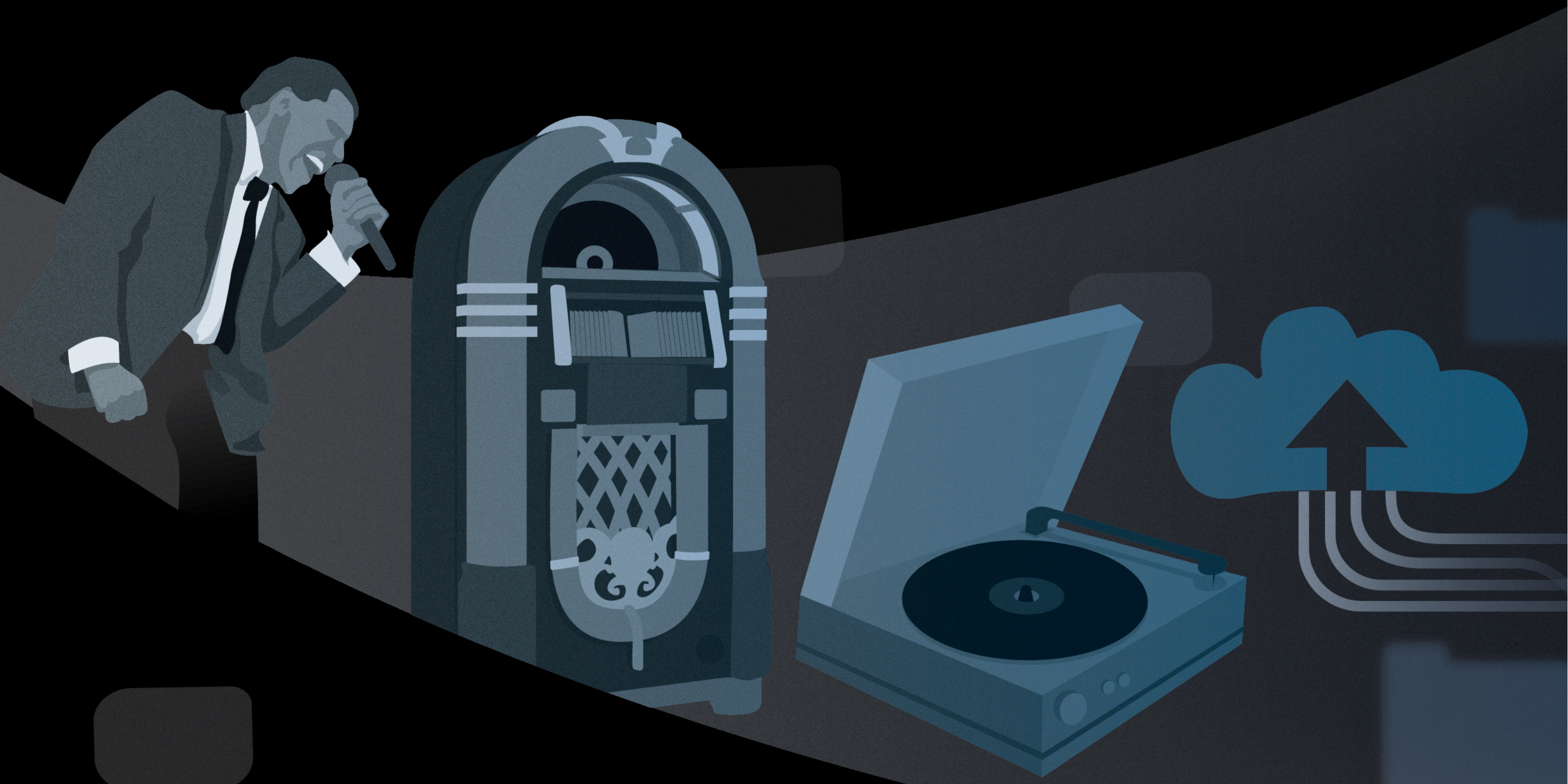
One Media is a UK listed digital media content provider that exploits intellectual property rights around music, video and copyright technology. Driven by the growth in streaming, the Company is dedicated to expanding the business through acquisition of new content and promotion of its existing catalogue.

The Company's consumer-led B2B operation exploits a growing collection of music and video content by recompiling it for sale via more than 600 digital music and video store groups across the globe.

One Media focuses on music performed by well-known artists from every genre, from classical through to R&B as well as stand-up comedy and spoken word. The Company also owns the rights to Men & Motors, available for viewing on One Media's YouTube Channel. One Media's library of content is available for TV shows, movies, adverts and websites requiring synchronised music.

Additionally, the Company has developed the Technical Copyright Analysis Tool ("TCAT"). TCAT is a SaaS platform developed as a means of automating the difficult and time consuming task of monitoring for unauthorised use of digital music releases.

For further information: www.omip.co.uk



Get in Touch

One Media iP Group PLC
623 East Props Building, Pinewood Studios, Iver Heath, Bucks, SL0 0NH, UK
t: +44 (0) 1753 785 500 | e: hello@omip.co.uk | www.omip.co.uk

Company No. 05799897

For any corporate PR enquiries please contact Yellow Jersey PR on +44 (0)20 3004 9512