annual report and accounts year ended 31 december:

2014

the mission tm
own ideas

adidas
Alder Hey Children's Charity
Almirall
arco
Ardbeg

avanade Results Realized
AVIVA
AXA
BALANCE Getting the measure of alcohol
barclaycard

BARCLAYS
BARRATT HOMES
BATH SPA UNIVERSITY
Baxter
Bellway

Berkeley
BMW
Bonne Maman
BOOST
bp

BRANTANO
Brittany Ferries
BT
Canon

Castrol
Cetraben
CHESTERTONS
CHUGAI
CITROËN

CLEARSWIFT
COVONIA
Daiichi-Sankyo
Danske Bank

DESITIN SUCCESS IN CNS
DIAGEO
DS Smith
DTZ
DURACELL
EMC²

ENGLISH HERITAGE
Equality and Human Rights Commission
FELD ENTERTAINMENT
FIAT
Fidelity WORLDWIDE INVESTMENT

Ford
Freederm
fresh Smoke Free North East
GEDEON RICHTER
gsk

Hedrin
HIGHLAND SPRING
IBULEVE
Jägermeister
JAGUAR
LAND ROVER

contents

The Mission Marketing Group plc ('the mission ') is a predominantly UK-based communications Agency group built from a broad mix of specialists and full service offerings that comprises:

- Integrated, multi-discipline, multi-sector Agencies
- Specialists in specific marketing and communications activities
- Specialists in particular market sectors

And we are united by a single purpose – to make our Clients' businesses more valuable.

Quite simply, that's the mission.

own ideas

We have our own ideas of how a communications Agency group should run.

We are not about imposing doctrine on our Agencies and nor are we about making them conform to Group policies. We are about encouraging collaboration, empowering people and allowing our Agencies to flourish in a way that is best for them, their culture, their people and, above all, their Clients.

Unlike other groups, our Board is comprised of the entrepreneurs who run our Agencies. Talented people with a passion to make our Clients famous and successful. Whatever the discipline. And by being focused on their Agencies yet fully supportive of the Group they deliver all the creativity of a boutique with the resource of a multinational.

Despite having eleven Agencies we have one bottom line so that our Clients get the best advice and share in our resources.

integrated generalists

bigdog
bray leino
Robson Brown
'story'

activity specialists

bray leino broadcare
bray leino events
bray leino learning
bray leino splash
bray leino yucca
mission studios
speed
Splash Interactive

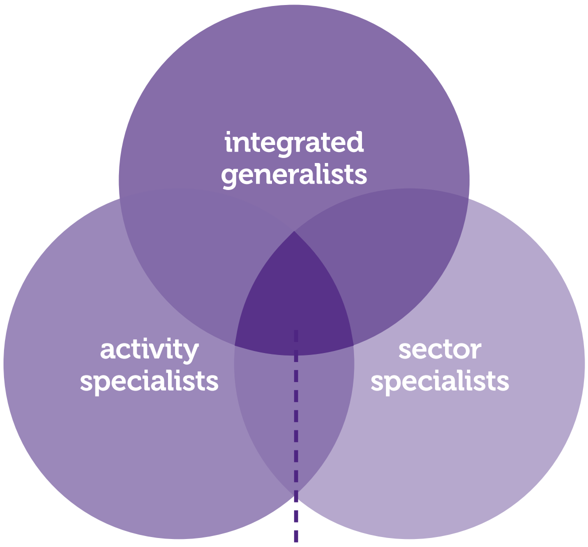
Integrated Generalists Our integrated generalist Agencies drive business growth through consistent brand messaging and measurable results across all of our Clients' marketing channels.

Activity Specialists Bringing together talented people with a dedicated focus, our activity specialist Agencies span digital, social media, branded content, PR, events, learning, film production and ecommerce. All work across a range of sectors to deliver their expertise.

Sector Specialists Across technology, automotive, healthcare and property, our sector specialists enjoy enviable reputations for their in-depth knowledge, contacts and working practices that are tailored to their Clients' needs.

More Powerful Together At every step, everything we do is about working together to share our abilities and add the maximum value for our Clients. All together it adds up to a potent mix that can transform a Client's business or even their entire market.

aprilsix PROOF
RLA SOLARIS
thinkbdw



concinnity [The skillful & harmonious arrangement or fitting together of the different parts of something.] at the heart of everything we do

the agencies

Together we are **the mission**ⓣⓜ.

Our common goal is to make our Clients' brands and businesses more valuable.

We bring together management depth, business expertise and international Agency know-how.

We have a unique, collaborative Board structure comprised of the entrepreneurs who run our Agencies.

We boast an impressive Client list, and are proud to work with some of the world's leading brands and the UK's biggest names.

We benefit from lower establishment costs with our regional locations, attracting top-flight people who seek an exciting work environment.

Together, we are growing into the nation's most respected and influential creative communications group.

scan here to view our showreel

The ⓣⓜ graphic symbolises the shared ambitions, values and goals that unite every Agency in **the mission**ⓣⓜ Group.

---

aprilsix

The UK's leading technology channel marketing Agency working successfully with global brands on an international basis.

bigdog

A full-service, integrated Agency creating ideas borne from insight across all channels with a focus on brand payback.

bray leino

A pioneer of integrated brand-building, a top-20 Agency working with Clients through every channel and across the business spectrum and, in 2014, again the No.1 B2B Agency in the UK. Bray Leino now includes its newly-integrated Brandon Hill and Yucca businesses.

PROOF

A specialist PR Agency helping science, engineering and technology organisations clearly communicate complex subjects. Clients span multinational technology, world-class science, global engineering and government departments.

RLA

Specialising in automotive and also offering the capabilities of a full-service Agency. With unrivalled expertise in international channel marketing programmes in the automotive, retail and allied sectors.

Robson Brown

Regarded as one of the North of England's major advertising brands with proven skills in integrated communications.

SOLARIS

A specialist full-service medical communications Agency delivering bespoke strategic, scientific and creative solutions to UK, European and global Clients.

speed

An ambitious, creative and commercially driven PR Agency specialising in business and brand transformation. Client portfolio includes both consumer and B2B, with expertise in sport, technology, media, health and wellbeing, food and drink, financial and business services.

Splash Interactive

Headquartered in Singapore with offices in Shanghai, Hong Kong, Malaysia and Vietnam, a full-service digital Agency helping multinational brands build websites and market their products across all digital channels.

'story'

An award-winning integrated Agency working with leading consumer brands and services from its Edinburgh base. Story's business now includes its recently acquired specialist digital Agency, The Weather.

thinkbdw

The leading property integrated marketing Agency in the UK, working with developers across all aspects of their sales support programmes from advertising to show homes. ThinkMedia is the largest buyer of Estate Agency media in the UK.

a year of awards for **the mission**

accomp

2014 was a big year for **the mission**.Ⓣ It saw our Agencies secure the largest haul of industry award wins to date.

Bray Leino picked up the number 1 position in B2B Marketing Magazine's annual Agency Benchmarking Report, as well as securing a Silver and a Bronze at the Fresh Awards, and a Gold at the Roses Creative Awards with **Robson Brown** and **Big Communications.**

Big Communications, now part of **bigdog,** celebrated a hugely successful awards season, picking up over half the Gold honours handed out at The Cream Midlands Awards, as well as 20 accolades from The Fresh Awards, securing the prestigious title of Agency of The Year. A Bronze was also collected at the Epica Awards for their work with Harley-Davidson.

RLA picked up three honours at the PANI Awards, and The W3 Awards saw **Splash Interactive,** our Singapore Agency, scoop five. **Yucca** fought off stiff competition to take home Best Use of Email at the Dadi Awards and **Story** won five awards at Scotland's Marketing Star Awards for their work on the Scottish Government's 'Active Travel Campaign' and for Ardbeg's 'Ardbog Day'.

plished

work that works

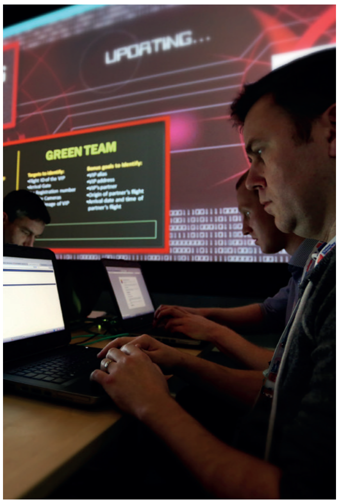
Whatever the product or service and whatever the channel, our Agencies apply their own unique skills, experience and talents to achieve a fundamentally common goal: to produce ideas and creative work that gets results.

aprilsix

bigdog

bray leino(tm)

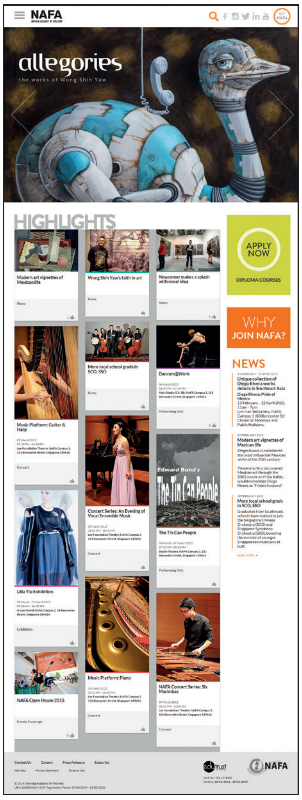
RLA(tm)

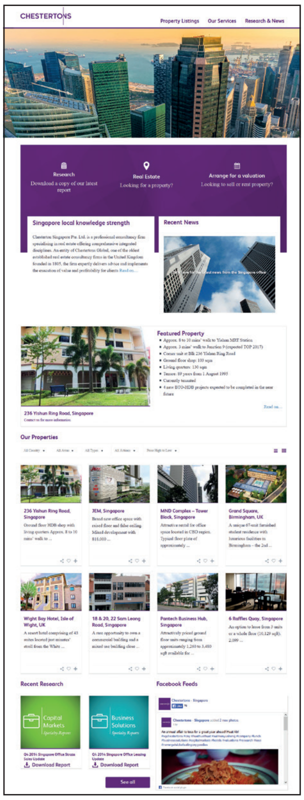


PROOF(tm)

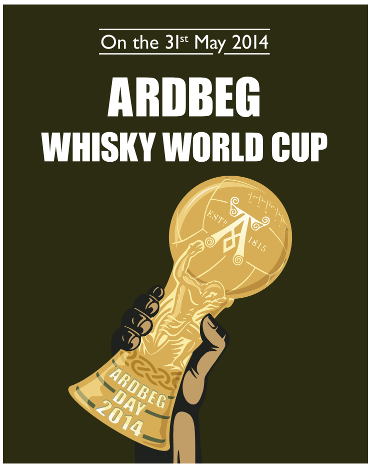
the mission marketing group plc 2014 annual report

work that works (cont.)





'story'(tm)



thinkbdw(tm)

inspiring spaces

Here at **the mission**®, we know that for great ideas to be made, our teams need spaces that allow them to think. A creative office should be an inspiring, stimulating place where ideas can flow and team-work is easy. These are just some of ours.

1. April Six, Harefield
2. bigdog, Bray Leino, ThinkMedia, London
3. bigdog, Leicester
4. April Six, San Francisco
5. RLA, Bournemouth
6. Solaris, Richmond
7. Bray Leino Yucca, Speed Communications, Bristol
8. Bray Leino, Filleigh
9. RLA, Bournemouth
10. Bray Leino Yucca, Speed Communications, Bristol
11. ThinkBDW, Colchester
12. ThinkBDW, Colchester
13. bigdog, Leicester
14. Story, Edinburgh
15. RLA, Belfast
16. April Six, San Francisco


1:

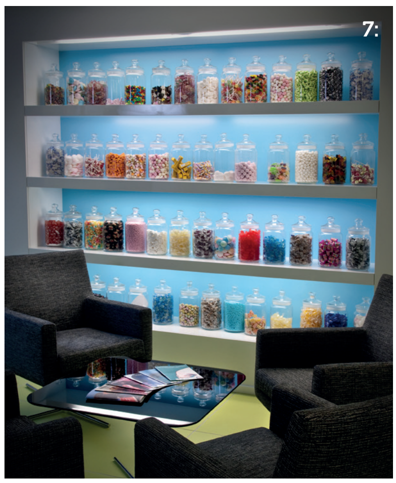

5:


2:


4:


6:


3:


7:


8:


9:


10:


11:

12:


13:

14:


15:


16:

the mission ⓣⓜ in asia

一石激起千层浪 is an ancient proverb. It means that a single stone dropped into water can create a thousand ripples. It means that even the smallest action can create the biggest effect. In Asia, **the mission**ⓣⓜ has dropped its first stone.

Our development as a business is not simply about being bigger and better. It is about doing things that benefit our Clients. Going where they go, supporting them where they need support. Where it makes sound commercial sense, we open up locally in markets where we can serve them better – for example, our technology Agency April Six has opened an office in San Francisco to service their existing and potential Clients based there.

And now we are in Asia with both Bray Leino and **the mission**ⓣⓜ office supporting Group Clients. With the acquisition of Splash Interactive, we have digitally focussed offices in Singapore, Shanghai, Hong Kong, Malaysia and Vietnam. Splash works with some of the leading Client companies in the region, including leading local and multinational banks.


1:


2:


3:


4:


5:


6:


7:


8:


9:


10:


11:

1: David Morgan
Executive Chairman

David founded Bray Leino, the Group's largest Agency, in 1974 and was its CEO until 2008. He became Non-Executive Chairman of Bray Leino in 2008 and was appointed Chairman of **the mission**ⓣⓜ in April 2010. Before founding Bray Leino he worked in a number of London advertising agencies including Dorlands.

2: Christopher Morris
Non-Executive Deputy Chairman

Chris adds further operational experience to the Board as a founder partner of Big Communications, bought by **the mission**ⓣⓜ in 2005 prior to its AIM listing in 2006. Chris has over 35 years' industry knowledge having previously been Managing Director of Cogent Elliott, one of the UK's top three regional advertising agencies. Chris was appointed to the Board in December 2009.

3: Sue Mullen
Executive Director

Sue is Chief Executive of Story and started her advertising career at Branns in Cirencester before moving to Edinburgh to head up One Agency. She left in 2002 and, alongside three colleagues, set up Story, an award-winning creative and direct communications Agency. Story was acquired by **the mission**ⓣⓜ in 2007 and Sue joined the Board in June 2012.

4: James Clifton
Executive Director

Chief Executive of newly-merged mission Agency bigdog, James started out Client-side before working for various agencies within the Global Networks that are Omnicom and WPP. He created balloon dog in 2008 having led an MBO of Fox Murphy. balloon dog was acquired by **the mission**ⓣⓜ and James was appointed to the Board in October 2012.

5: Dylan Bogg
Executive Director

Dylan is Chief Creative Officer of bigdog and was one of the founding partners of Big Communications. He had built a successful business by the age of 24 and this was used as the bedrock for the launch of Big Communications in 1996. Dylan oversees all creative output for newly-merged mission Agency, bigdog across four UK locations. Dylan was appointed to the Board in April 2010.

6: Robert Day
Executive Director

Robert is Chief Executive of ThinkBDW, a company he founded as Robert Day Associates in 1987 at the age of 22. Re-branding as ThinkBDW in 2004, Robert has led the company to its position as the leading property marketing specialist in the UK. The business was acquired by **the mission**ⓣⓜ in March 2007 and Robert joined the Board in April 2010.

7: Stephen Boyd
Senior Independent
Non-Executive Director

Stephen is currently Chairman of two AIM-listed companies, Pittards plc and Pure Wafer plc, in addition to owning a number of private companies. Stephen has a broad and extensive base of experience in the UK, Europe, USA and overseas and brings additional depth in corporate finance. Stephen was appointed to the Board in December 2009.

8: Giles Lee
Executive Director

Giles joined Bray Leino in 2005 as Group Finance Director following his successful role in transforming Merrydown plc from its fundamental financial restructure in 2000 up to its acquisition in 2005. Since joining Bray Leino, Giles has overseen thirteen acquisitions and a number of strategic investments. Giles was appointed CFO/COO of Bray Leino in 2011 and Executive Chairman in 2013, alongside a strong management team. He was appointed to the Board in March 2013.

9: Peter Fitzwilliam
Finance Director

Peter is a Chartered Accountant with over 25 years' financial and management advisory experience in both private and quoted companies across a range of industry sectors. He was Finance Director of Business Post Group plc (now UK Mail Group plc) from 1999 to 2006 and helped take it into the FTSE 250. Peter supported **the mission**ⓣⓜ through its refinancing in April 2010 and was appointed to the Board in September 2010.

10: Christopher Goodwin
Executive Director

Chris is Chief Executive of RLA and has over 25 years' experience in the automotive industry at Firestone and then Federal-Mogul, with varied experience in sales, marketing and general management roles, both at regional and global levels. In 2008 he crossed over from the Client side to focus on strategic business development within Bray Leino. He was appointed to the Board in April 2011.

11: Fiona Shepherd
Executive Director

Fiona is Chief Executive of April Six and Proof Communication and has worked in the technology industry for over 20 years, holding both Client and Agency positions, with some of the world's largest technology brands. Fiona was a founder of April Six and has managed its success as a well respected global technology Agency with offices in London and San Francisco. Fiona joined the Board in April 2010.


Splash
Interactive


PROOF
COMMUNICATION


bigdog


thinkbdw

chairman's statement

david morgan

2014 was a good innings, now let's play a blinder.

It's always gratifying to do what you say you're going to do, so 2014 will go down for us as such a year. We made good strides with our declared strategy of extending the strength and scope of the Group. Our Agencies flourished and we either acquired or created new business ventures that will make us even better placed to serve our Clients in the years ahead.

Having opened up shop in Singapore towards the back end of 2013, we acquired 70% of the digital marketing Agency Splash Interactive towards the end of 2014. Headquartered in Singapore but with offices in the five major Far East markets, Splash brings us a real presence in that region. And one that our Clients are already supporting.

We also acquired the London-based Proof Communication, which we merged into our successful technology Agency April Six and rounded off the year by acquiring Speed Communications, which we combined with our Bray Leino PR division, now jointly trading under the Speed brand. Exciting times in PR.

Added to this we created a Sports Marketing Consultancy within **the mission**[tm] itself to advise our Clients in this area. We have also strengthened our technology offerings with some pretty smart ideas and resourced our Agencies with some great new talent especially in the US and within our Healthcare Agency, Solaris.

And more recently, our integrated Agencies Big and balloon dog were combined under the bigdog brand to create a single, efficient and powerful business with a great Client portfolio and huge potential.

Phew.

Our core businesses had a good year, especially in the second half, winning a hat full of awards and great new Clients. Client retention was again strong which serves us well going into 2015 and beyond.

Internationally, our new San Francisco April Six business is flourishing, supporting existing Clients as well as attracting new ones. And in the UK, both April Six and ThinkBDW were relocated to fine new premises to accommodate growth and further efficiency increases.

We have continued to pay down debt and I was also gratified by the response from our existing, and some new, institutional investors during the year. This enabled us to further invest in the businesses, fund our acquisitions and settle warrants of over 3% of our equity held by our bank, RBS. Who, I'm pleased to say, continue to support us - so much so that we have recently concluded a further four year extension to our facilities with them.

It seems to me therefore that **the mission**[tm] had a pretty good innings in 2014. And I'm hopeful that our shareholders and supporters will be bowled over in 2015. Which should be no surprise given the team that we are able to field.

They're all doing a grand job.
No lallygaggers here.

David Morgan
Chairman
26 March 2015

operating income ('revenue'):

up 7% to £55.0m

(2013: £51.6m)

2014 was another year in which we grew our business, extended our range of services and further improved our balance sheet. In short, we did what we said we would do, and we achieved all our key performance targets:

Key performance measure	Target	Achieved in 2014?	Achievement in 2014
Operating income	Increase each year, from both organic growth and acquisition	Yes	Increase of 7% achieved
Operating profit margins	Achieve levels at least in line with industry averages	Yes	Margins, at 11%, were ahead of our peer group of UK quoted marketing companies (excluding WPP)*
Headline profits before tax	Grow year-on-year	Yes	Increase of 10% achieved
Ratio of net bank debt to EBITDA	Maintain below x2	Yes	Bank debt leverage ratio below x1.5 at 31 December 2014
Ratio of total debt to EBITDA	Maintain below x2.5	Yes	Total debt leverage ratio x1.7 at 31 December 2014

*Kingston Smith Annual Survey 2014

net proceeds from equity placing:

£2.3m

net bank debt reduced by:

£1.3m

(to £9.4m)

full settlement of bank warrants in cash:

£0.7m

total cash investment in growth:

£4.2m

£2.1m on acquisitions, £2.1m on capex

headline trading profit (operating profit before central costs):

up 10% to

£7.7m

(2013: £7.0m)

headline profit before tax:

up 10% to £5.5m

headline diluted eps:

up 15% to 5.1p

full year dividend:

up 10% to 1.1p

strategic report

AIMS AND AMBITION

Our mission is simple: to work together to make our Clients' brands and businesses more valuable; and fuelled by their success, to grow **the mission**ⓣⓜ into the nation's most respected and influential creative communications group.

We aim to reward shareholders both through capital growth and dividends, and to provide a rewarding and fun environment for our staff. We will grow first and foremost by organic growth but we will add services, expertise and talent where we find it complementary to our objectives and financially affordable. Although primarily operating in the UK, we will continue to develop our international footprint in response to Client demand and where we see strong opportunities to leverage our well-established UK strengths elsewhere in the world. We will maintain a balance of equity and debt financing to give shareholders the advantages of financial leverage but without placing the business at financial risk.

RISKS AND UNCERTAINTIES

The Group's principal operating risks and uncertainties are set out below. The management of risk is the responsibility of the Board, assisted where appropriate by the Remuneration and Audit Committees, as described further in the Corporate Governance Report.

Adverse economic conditions, leading to a reduction in Clients' marketing budgets

As a network of Agencies which are run in most cases by the entrepreneurs who originally founded them, we believe that we offer strong local and personalised, "boutique" Client service backed up by a multinational infrastructure. We believe that this highly personalised service makes us less susceptible to the generic effects of the economy. We also undertake strenuous new business activity and we minimise overheads wherever possible, always recognising that there is a level below which overheads cannot be reduced without Client service being affected. As the Group expands outside the United Kingdom, we are also reducing the concentration of economic risk.

Loss of key Clients

There are many reasons why a Client changes its communications agency, several of which are outside our control. The risk of Client loss as a result of something we can control is mitigated by the efforts of dedicated account teams, who strive to ensure the quality of work we do meets or exceeds our Clients' expectations at all times, and who modify our approach when necessary. The risk of Client loss for reasons beyond our control is mitigated by the Group's broad spread of Clients, which limits its exposure to any individual loss. No Client represents more than 10% of Group operating income.

Loss of key staff

In common with all service businesses, the Group is reliant on the quality of its staff. Strenuous efforts are made to provide a rewarding work environment and remuneration package to retain and motivate our leadership teams. The system of financial rewards is reviewed regularly by the Board.

Underperformance of acquired businesses

Potential acquisitions are carefully considered by the full Board as part of its recurring business, and legal, commercial and financial due diligence is carried out on all but the smallest acquisitions. The Directors consider that the main risk is overpaying for the level of profits subsequently generated and so, wherever possible, agree payment terms for acquisitions in a way that results in the majority of consideration being conditional on the post-acquisition profitability of the acquired business. In this way, if it underperforms against expectations set at the time of the acquisition, the total amount paid for the business will reduce correspondingly.

KEY PERFORMANCE INDICATORS

The Group manages its internal operational performance and capital management by monitoring various key performance indicators ("KPIs"). The KPIs are tailored to the level at which they are used and their purpose. The Group's current KPIs, which are quantified and commented on in the Financial

Review of the Year below, are:

- operating income ("revenue"), which the Group aims to increase year-on-year both via organic growth and from acquisitions;
- operating profit margins, where the Group aims to achieve levels at least in line with industry averages;
- headline profits before tax, which the Group aims to increase year-on-year;
- the ratio of net bank debt to EBITDA*, which the Group is aiming to maintain below x2.0; and
- the ratio of total debt (including both bank debt and deferred acquisition consideration) to EBITDA, which the Group is aiming to maintain below x2.5.

*EBITDA is headline operating profit before depreciation and amortisation charges.

At the individual Agency level, the Group's KPIs comprise revenue and profitability measures, predominantly the achievement of annual budget. More detailed KPIs are applied within individual Agencies.

BUSINESS AND FINANCIAL REVIEW OF THE YEAR

A review of the business and future developments is provided below and in the Chairman's Statement, which forms part of this Strategic Report.

The improved economic conditions seen during 2014 had a largely positive effect on the Group. Almost all of our Agencies reported growth in revenues (operating income), but it was not always possible to maintain profit margins in the face of continued relentless downward pressure on pricing. And curiously, the boom in the property market during the year resulted in a marked reduction in the level of marketing spend by developers and estate agents as demand outstripped supply. The portfolio nature of the Group's structure again proved to be a real strength, diversifying the risk associated with a concentration on any one Agency or market.

Overall, it has been a good achievement to deliver 10% growth in headline profits and to hit market expectations, especially in the knowledge that some of our competitors are really struggling.

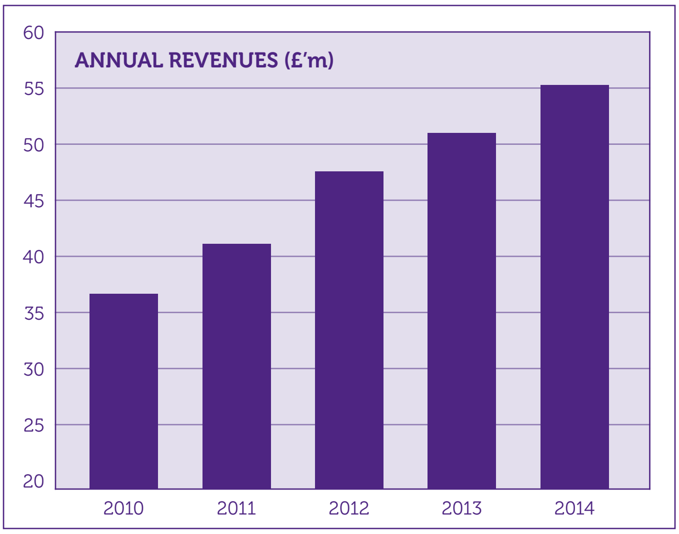
We have strengthened the Group's balance sheet progressively over recent years and 2014 was no different. The downward trend in our gearing and debt leverage ratios was further enhanced by a £2.3m equity placing in October. We also took the opportunity provided by our greater financial strength to settle all outstanding bank warrants, thereby removing 3% equity dilution.

We exit 2014 in a strong position and expect 2015 to be another busy year, consolidating the acquisitions made in 2014, streamlining some of our existing operations and planning further acquisitions.

Trading, Statement of Income and Dividend

Turnover was 1% higher than the previous year, at £125.5m (2013: £124.1m), where the growth achieved by most Agencies was largely offset by the reduction in Media spend by property Clients. Turnover is a measure of how much Clients are billed. But since billings include pass-through costs (eg TV companies' charges for buying air-time), the Board does not consider turnover to be a key performance measure. Instead, the Board views operating income (turnover less third party costs) as a more meaningful measure of Agency activity levels.

Operating income ("revenue") increased 7% to £55.0m (2013: £51.6m), once again achieving the first of our KPIs. The chart below illustrates the consistent growth in revenue achieved over the last five years, the time the current Management team has been in place.

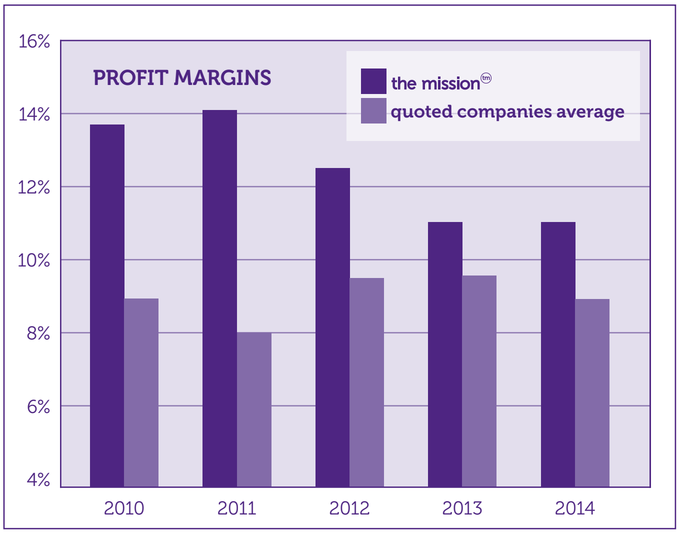


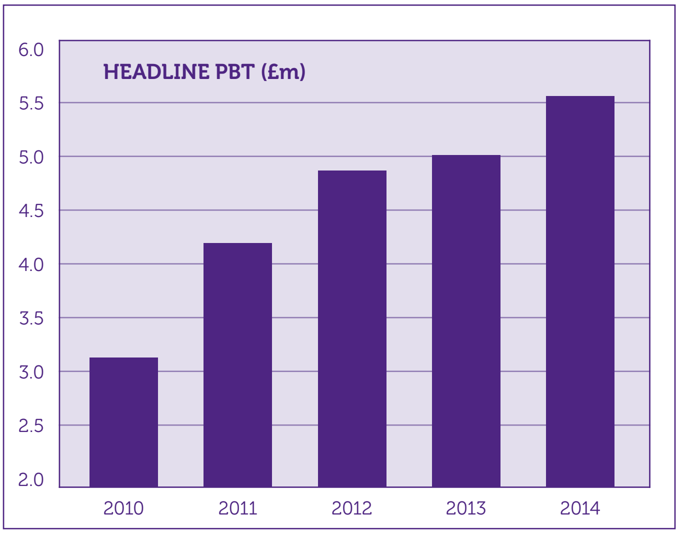
5% of the growth achieved in 2014 resulted from the full year contribution from Solaris and the acquisitions of Proof Communication Limited ("Proof"), Splash Interactive Pte Ltd ("Splash") and Speed Communications Agency Ltd ("Speed") with effect from 1 August, 30 September and 31 October 2014 respectively. Like-for-like revenue increased 2% year-on-year, where growth in most Agencies was somewhat offset by lower spending by property Clients.

The Directors measure the Group's profit performance by reference to headline profits, calculated before exceptional items and acquisition adjustments (as set out in Note 3). Headline trading profits (ie segmental operating profit, before central costs, as set out in Note 2) increased strongly, to £7.7m (2013: £7.0m), reflecting a 5% contribution from Solaris, Proof, Splash and Speed and a 5% increase in like-for-like profits; this latter is a very pleasing result in view of increased property costs, incentive payments and the effects of the property market. After higher central costs, headline operating profit increased by 6% to £6.1m (2013: £5.7m).

We expected 2014 to repeat the general pattern of Clients' spending cycles, which tend to result in a second half bias in our financial results, but the bias was stronger than we originally predicted. As a consequence, the pattern of profit margins (headline operating profit as a percentage of revenue) also repeated those of last year, with margins of 8% in H1 (2013: 8%), improving to 14% in H2 (2013: 14%). Overall, the Group achieved a margin of 11% for the full year (2013: 11%), which is comfortably ahead of the levels achieved by the Group's peer group of UK quoted marketing companies (excluding WPP, which is so large it distorts all comparisons), thereby achieving the second of our KPIs in common with recent years as illustrated by the chart below (source: Kingston Smith Annual Surveys).

strategic report
continued





Reported net interest costs fell only slightly from the prior year, but this reflects the accelerated write-off of the balance of £0.1m of unamortised arrangement fees from the refinancing of the Group's bank facilities in 2012. On an underlying basis, reductions in interest costs were achieved, both through a further reduction in net debt and also from the lower interest margins triggered by reductions in our leverage ratio (see below for definition). As a result, headline interest costs reduced by over 20% to £0.5m (2013: £0.7m).

After financing costs, headline profit before tax increased by 10% to £5.5m (2013: £5.0m), achieving the third of our KPIs. The chart below illustrates the growth in headline profit over recent years.

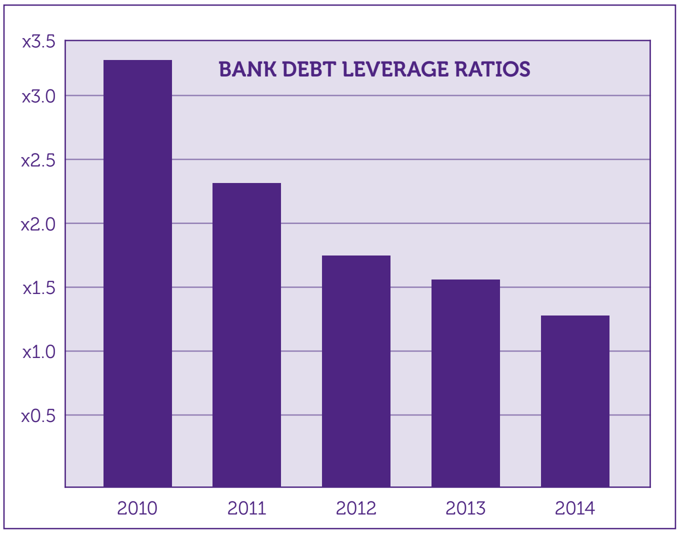
Reported profit before tax increased by over 70% to £5.4m (2013: £3.2m) after acquisition adjustments and accelerated amortisation of bank debt arrangement fees totaling £0.1m (2013: exceptional costs of £2.1m and acquisition adjustments (net gain) of £0.3m).

The headline diluted EPS increased by 15% to 5.13 pence (2013: 4.45 pence).

Following payment of an interim dividend of 0.25 pence per share, the Board recommends a final dividend of 0.85 pence per share, bringing the total for the year to 1.10 pence per share, representing an increase of 10%. The final dividend will be payable on 20 July 2015 to shareholders on the register at 10 July 2015. The Board will continue to keep under regular review the best use of the Group's cash resources but it is the Board's intention to increase both interim and final dividends in future years.

Balance Sheet and Cash Flow

The Group's balance sheet has been further strengthened during the year by the Autumn equity placing of £2.3m. During the year a total of £2.1m in cash was invested in acquisitions (net of cash acquired), £2.1m was invested in capital expenditure, notably higher than in previous years due to the relocation of two of our Agencies, and £0.7m was used to settle bank warrants over 3.156% of the fully diluted share capital. Working capital increased by £1.1m but, despite this, net bank debt reduced by £1.3m to £9.4m (2013: £10.7m). Our gearing ratio (net bank debt to equity) reduced from 16% last year to 13% at 31 December 2014 and the Group's "leverage ratio" (ratio of net bank debt to headline EBITDA) fell from x1.5 at 31 December 2013 to x1.25 at 31 December 2014, again comfortably achieving our fourth KPI as illustrated by the following chart.



Now that the Group has started expanding through acquisition, the Board's management of the Group's liquidity and balance sheet extends beyond considering just bank indebtedness and now also includes an assessment of the Group's financial commitments relating to acquisitions. As a result, the Board has introduced a fifth KPI – the ratio of total debt to EBITDA – which it is targeting to maintain below x2.5 in order to avoid over-stretching the Group's balance sheet. Total debt includes the Group's bank indebtedness and also the amount of contingent acquisition consideration estimated to be payable. Since acquisition consideration is dependent on future levels of profitability in the acquired business, which are inevitably uncertain, the Board calculates this ratio by reference to the amount of consideration which would be payable if the acquired business were to maintain its current level of profitability. At 31 December 2014, the ratio of total debt to EBITDA on this basis was x1.7, comfortably within our final KPI.

Since the end of the financial year, we have secured beneficial changes to our banking arrangements. Loan facilities which were due to expire at the end of 2015, therefore resulting in the full £11m of outstanding loans at 31 December 2014 being classified within current liabilities, have been replaced by new and increased facilities expiring in February 2019. Committed facilities have been increased from £11m to £15m, with a further overdraft facility of £3m. Interest rate margins are subject to a ratchet depending on leverage ratios but, at every ratio level, are lower than under previous arrangements. In addition, the repayment obligation on the term loan element of the new facilities is lighter in the first two years than the second, resulting in greater headroom to support the Group's acquisition ambitions in the near future. More detail of the new facilities is set out in Note 18.

At 31 December 2014, the Board undertook its annual assessment of the value of goodwill, explained further in Note 12, and concluded that no further impairment in the carrying value was required.

Taxation

The Group's effective tax rate was 21.7% (2013: 25.5%), only marginally higher than the statutory rate of 21.5% (2013: 23.25%). The Group's effective tax rate is normally above the statutory rate due to non-deductible staff and Client-related expenditure, and the excess of depreciation over capital allowances. In 2014, these factors were offset by higher tax deductions on share options exercised during the year, and the non-taxable nature of movements in the fair value of contingent consideration.

Outlook

As we exited 2014, the Group was in good shape and we expect further growth in the coming year in both revenue and profit. In order to underpin this growth, the Board has restructured certain activities with the consequence of some £0.6m of one-off costs incurred in the first quarter of 2015 which reduce our overall cost base. The Board expects this leaner structure to further strengthen the Group's resilience and looks to the future with confidence.

On behalf of the Board
Peter Fitzwilliam
Finance Director
26 March 2015

report of the directors

The Directors have pleasure in presenting their report and the financial statements of The Mission Marketing Group plc ("**the mission**ⓣⓜ") for the year ended 31 December 2014. The Directors provide a separate Corporate Governance Report, which forms part of this Report of the Directors.

Directors

The following Directors held office during the year:

Dylan Bogg
Stephen Boyd
James Clifton
Robert Day
Peter Fitzwilliam
Chris Goodwin
Giles Lee
David Morgan
Chris Morris
Sue Mullen
Fiona Shepherd

Directors' Interests in Shares and Options

The interests of the Directors and their families in the shares of the Company were as follows:

Number of ordinary shares of 10p each

	31 December 2014	31 December 2013 or on appointment
Dylan Bogg	1,469,323	1,439,323
Stephen Boyd	109,918	109,918
James Clifton	165,113	165,113
Robert Day	6,128,560	6,086,955
Peter Fitzwilliam	648,940	619,481
Chris Goodwin	378,847	373,047
Giles Lee	732,058	701,158
David Morgan	6,089,533	6,059,875
Chris Morris	1,015,009	1,001,009
Sue Mullen	1,081,154	1,078,254
Fiona Shepherd	1,264,773	1,254,173

The following unexercised options over shares were held by Directors:

Directors	At 1 January 2014	Lapsed in year	Exercised in year	Granted in year	At 31 December 2014	Date from which exercisable	Expiry date
Dylan Bogg	60,000	(30,000)	(30,000)	-	-	July 2014	July 2021
	70,000	-	-	-	70,000	July 2015	July 2022
	30,000	-	-	-	30,000	July 2016	July 2023
	-	-	-	17,500	17,500	July 2017	July 2024
James Clifton	56,000	-	-	-	56,000	July 2016	July 2023
	-	-	-	31,215	31,215	July 2017	July 2024
Robert Day	157,000	(78,500)	(78,500)	-	-	July 2014	July 2021
	96,667	-	-	-	96,667	July 2015	July 2022
	110,000	-	-	-	110,000	July 2016	July 2023
	-	-	-	60,000	60,000	July 2017	July 2024
Peter Fitzwilliam	50,000	(25,000)	(25,000)	-	-	July 2014	July 2021
	40,000	-	-	-	40,000	July 2015	July 2022
	50,000	-	-	-	50,000	July 2016	July 2023
	-	-	-	25,000	25,000	July 2017	July 2024
Chris Goodwin	20,000	(10,000)	(10,000)	-	-	July 2014	July 2021
	40,000	-	-	-	40,000	July 2015	July 2022
	35,000	-	-	-	35,000	July 2016	July 2023
	-	-	-	20,000	20,000	July 2017	July 2024
Giles Lee	100,000	(50,000)	(50,000)	-	-	July 2014	July 2021
	100,000	-	-	-	100,000	July 2015	July 2022
	70,000	-	-	-	70,000	July 2016	July 2023
	-	-	-	80,000	80,000	July 2017	July 2024
David Morgan	50,000	(25,000)	(25,000)	-	-	July 2014	July 2021
	40,000	-	-	-	40,000	July 2015	July 2022
	50,000	-	-	-	50,000	July 2016	July 2023
	-	-	-	25,000	25,000	July 2017	July 2024
Chris Morris	28,000	(14,000)	(14,000)	-	-	July 2014	July 2021
	40,000	-	-	-	40,000	July 2015	July 2022
	50,000	-	-	-	50,000	July 2016	July 2023
	-	-	-	25,000	25,000	July 2017	July 2024
Sue Mullen	10,000	(5,000)	(5,000)	-	-	July 2014	July 2021
	20,000	-	-	-	20,000	July 2015	July 2022
	22,500	-	-	-	22,500	July 2016	July 2023
	-	-	-	10,000	10,000	July 2017	July 2024
Fiona Shepherd	40,000	(20,000)	(20,000)	-	-	July 2014	July 2021
	40,000	-	-	-	40,000	July 2015	July 2022
	50,000	-	-	-	50,000	July 2016	July 2023
	-	-	-	20,000	20,000	July 2017	July 2024

All share options in existence at 31 December 2014 are nil-cost options granted under the Company's Long Term Incentive Plan.

Options granted in 2014 are dependent upon the achievement of profit targets over the period ending 31 December 2016. In all cases, the vesting of share options is at the overriding discretion of the independent members of the Remuneration Committee.

report of the directors continued

Substantial Shareholdings

Other than the Directors' interests disclosed above, as at 26 March 2015, notification had been received of the following interests in 3% or more of the issued share capital of the Company:

	Number of shares	%
Herald Investment Management Ltd	4,500,000	5.40
Objectif Investissement Microcaps FCP	4,230,477	5.07
Polar Capital Forager Fund Ltd	3,995,000	4.79

Share Capital

The issued share capital of the Company at the date of this report is 83,398,195 Ordinary shares. The total number of voting rights in the Company is 83,398,195.

Directors' Indemnity Insurance

As permitted by Section 233 of the Companies Act 2006, the Company has purchased insurance cover on behalf of the Directors, indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union, and the Company financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

International Accounting Standard 1 requires that financial statements present fairly for each financial period the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the Preparation and Presentation of Financial Statements". In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards. A fair presentation also requires the Directors to:

- consistently select and apply appropriate accounting policies:
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the Group and the Company and the profit or loss of the Group and the Company for that period. In preparing the financial statements of the Company under UK GAAP, the Directors are required to:

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

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

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

Auditors

Francis Clark LLP have indicated their willingness to continue in office and, in accordance with the provisions of the Companies Act 2006, it is proposed that they be re-appointed auditors to the Company for the ensuing year.

Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the Group's auditors are unaware. Each of the Directors has taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Financial Risk Exposure and Management

As a communications Agency Group, the main financial risks that arise from day-to-day activities are credit and currency risk. The Group's policy is to eliminate risk where it is cost-effective, including the use of credit insurance and currency hedges, and to mitigate it where not, including close monitoring of credit-worthiness and the use of Client payment plans if possible. The Group's policy is not to use any financial instruments for speculating.

In common with any business, the Group is exposed to cash flow risk if the capital structure is not balanced (relative proportions of debt and equity, and the availability of cash resources). Several years ago, the Group had too much debt and its ability to continue as a going concern was seriously endangered, but has progressively reduced debt, increased equity and secured banking facilities which provide comfortable levels of headroom within the Group's covenants. The Group's policy is to maintain a balance of equity and debt financing to give shareholders the advantages of financial leverage but without placing the business at financial risk.

Further details on the Group's capital and financial risk management are set out in Note 27.

Post Balance Sheet Events

On 5 February 2015, the Directors agreed new bank facilities. Further details of these facilities are set out in the Strategic Report and Note 18.

On 13 February 2015, the Group acquired The Weather Digital and Print Communications Limited, a digital marketing Agency based in Edinburgh. Further details of this acquisition are set out in Note 29.

Going Concern

The Directors have considered the financial projections for the Group, including cash flow forecasts, the availability of committed bank facilities and the headroom against covenant tests for the coming 12 months. They are satisfied that, taking account of reasonably possible changes in trading performance, it is appropriate to adopt the going concern basis in preparing the financial statements.

Future Developments

An indication of likely future developments in the business of the Group is provided in the Chairman's Statement and Strategic Report.

The Environment

The business of the Group is delivering marketing and advertising related services to Clients. The direct and indirect impact of these services on the environment is negligible and considered low risk, however we continue to take action to reduce our environmental impact where viable.

Employee Policies

It is the Group's policy not to discriminate between employees or potential employees on any grounds. The Group is committed to full and fair consideration of all applications. Selection of employees for recruitment, training, development and promotion is based on their skills, abilities and relevant requirements for the job.

The Group places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the Group. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure their employment with the Group continues and that the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Dividends

The Group paid a dividend of 0.25 pence per share in December 2014 and the Board recommends the payment of a final dividend of 0.85 pence, subject to approval by shareholders at the Annual General Meeting.

Annual General Meeting

A notice convening the Annual General Meeting to be held on Monday 15 June 2015 at 12 noon is enclosed with this report.

On behalf of the Board
Peter Fitzwilliam
Finance Director
26 March 2015

corporate governance

The Board of The Mission Marketing Group plc is collectively accountable to the Company's shareholders for good corporate governance. As an AIM-listed company, **the mission**ⓣⓜ is not required to comply with the UK Corporate Governance Code (September 2012) (the "Code") but has regard to it as far as is practicable and appropriate for a public company of its size and nature.

Board of Directors

Throughout the year, the Board consisted of the CEOs of the Group's seven principal Agencies, most of whom are the original founders of those Agencies, a Finance Director and two Non-Executive Directors, under the Executive Chairmanship of David Morgan, the founder of the Group's largest Agency. This structure results in an operator-led and entrepreneurial organisation, but with a suitable balance of independent oversight and input. David Morgan is well regarded both within **the mission**ⓣⓜ and within the industry and the Board continues to believe that, although combining the roles of Chairman and Chief Executive does not meet "best practice" under the Code, his role as Executive Chairman remains appropriate and that introducing a separate Chief Executive would disturb the balance of the Board.

The Non-Executive Directors are Stephen Boyd and Chris Morris. Stephen has a broad range of business interests and experience, both in the UK and internationally, and is independent from management by virtue of having no other connection with the Group other than his Director's fees and his shareholding. Chris was one of the founders of Big Communications, now part of bigdog, but has not been actively involved in day-to-day management for some years. Although Chris is a recipient of share options and provides some consulting services to the Group, neither of which is significant in financial value, he is considered to be independent of management by virtue of his attitude.

The Directors are collectively responsible for the strategic direction, investment decisions and effective control of the Group. The principal risks and uncertainties facing the Group are set out in more detail in the Strategic Report. Of these risks, primary responsibility for maintaining strong Client relationships and retaining key staff lies with the Agency CEOs and this is monitored both via written monthly reports and also Board attendance. Potential acquisitions and changes in incentive and rewards systems, designed to motivate and retain key staff, are considered by the full Board when it meets in person, most months, or via regular telephonic and electronic contact in between meetings.

The Board is satisfied that it receives information of a quality and to a timetable that permits it to discharge its duties.

All Directors are subject to election by Shareholders at the first opportunity after their appointment. They are required to retire every three years and may seek re-appointment.

The Board has established three committees to deal with specific aspects of the Group's affairs.

Audit Committee

The Audit Committee consists of the two independent Non-Executive Directors, with Stephen Boyd as Chairman. The Committee considers matters relating to the reporting of results, financial controls, and the cost and effectiveness of the audit process. It aims to meet at least twice a year with the Group's external auditors in attendance. Other Directors attend as required. The terms of reference of the Committee are available on request.

The Audit Committee is satisfied that the Group's auditors, Francis Clark LLP, have been objective and independent of the Group. The Group's auditors performed non-audit services for the Group as outlined in Note 7 but the value of this work was neither significant in relation to the size of the audit fee nor carried out by the audit team and as a consequence the Audit Committee is satisfied that their objectivity and independence was not impaired by such work.

Remuneration Committee

The Remuneration Committee consists of the two independent Non-Executive Directors, with Stephen Boyd as Chairman. The Committee determines the remuneration of the Executive Directors and makes recommendations to the Board with regard to remuneration policy and related matters. Specific consideration is given each year to the nature and quantum of incentive arrangements to ensure they remain relevant and effective for the retention of key staff including not just Executive Directors but also senior staff within the Group's Agencies. Inter alia, this includes setting the profit targets which trigger annual cash bonuses, determining the amount of the Group's share capital to make available for annual share option awards, and approving the allocation of incentives to individuals.

The Board maintains a policy of providing executive remuneration packages that will attract, motivate and retain Directors of the calibre necessary to deliver the Group's growth strategy and to reward them for enhancing shareholder value.

The Executive Directors' remuneration packages consist of three elements:

- basic salary and benefit package
- performance related bonus – the Group operates a performance-related bonus scheme, related to the delivery of profit targets
- share option incentives – details of share options granted to the Executive Directors at the discretion of the Remuneration Committee are shown in the Directors' report.

The Remuneration Committee reviews the components of each Executive Director's remuneration package annually. The remuneration and terms and conditions of appointment of the Non-Executive Directors are determined by the Board. No Director is involved in setting his or her own remuneration. The Remuneration Committee meets as and when required. The terms of reference of the Committee are available on request.

Nomination Committee

The Nomination Committee consists of the Group's Executive Chairman, David Morgan, as the Committee Chairman, and the two Non-Executive Directors. The Committee is responsible for reviewing and making proposals to the Board on the appointment of Directors and meets as necessary. The terms of reference of the Committee are available on request.

Shareholder Communications

The Company believes in good communication with shareholders. The Board encourages shareholders to attend its Annual General Meeting. The Chairman and the Finance Director meet analysts and institutional shareholders periodically in order to ensure that the strategy and performance of the Group are clearly understood, and they provide the first point of contact for any queries raised by shareholders. In the event that these Directors fail to resolve any queries, or where a Non-Executive Director is more appropriate, the Senior Independent Director, Stephen Boyd, is available to meet shareholders.

Internal Financial Control

The Board is responsible for ensuring that the Group maintains a system of internal financial controls. The objective of the system is to safeguard Group assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is timely and reliable. Any such system can only provide reasonable, but not absolute, assurance against material loss or misstatement.

The Board does not consider it would be appropriate to have its own internal audit function at the present time, given the Group's size and the nature of its business. At present the internal audit of internal financial controls forms part of the responsibilities of the Group's finance function.

All the day-to-day operational decisions are taken initially by the Executive Directors, in accordance with the Group's strategy. The Executive Directors are also responsible for initiating commercial transactions and approving payments, save for those relating to their own employment.

The key internal controls include the specific levels of delegated authority and the segregation of duties; the prior approval of all acquisitions; the review of pertinent commercial, financial and other information by the Board on a regular basis; the prior approval of all significant strategic decisions; and maintaining a formal strategy for business activities.

On behalf of the board
Peter Fitzwilliam
Finance Director
26 March 2015

Summary of Directors' Attendance

	Board Meetings		Remuneration Committee		Audit Committee	
	Entitled to attend	Attended	Entitled to attend	Attended	Entitled to attend	Attended
Dylan Bogg	10	9	n/a	n/a	n/a	n/a
Stephen Boyd	10	8	2	2	3	3
James Clifton	10	10	n/a	n/a	n/a	n/a
Robert Day	10	10	n/a	n/a	n/a	n/a
Peter Fitzwilliam	10	10	n/a	n/a	n/a	n/a
Chris Goodwin	10	10	n/a	n/a	n/a	n/a
Giles Lee	10	10	n/a	n/a	n/a	n/a
David Morgan	10	10	n/a	n/a	n/a	n/a
Chris Morris	10	10	2	2	3	3
Sue Mullen	10	9	n/a	n/a	n/a	n/a
Fiona Shepherd	10	8	n/a	n/a	n/a	n/a

Independent Auditor's Report to the Members of The Mission Marketing Group plc

Report on the Group Financial Statements

Our opinion

In our opinion the Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

We have audited the financial statements of The Mission Marketing Group plc for the year ended 31 December 2014 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Our responsibilities and those of the Directors for the financial statements and the audit

As explained more fully in the Directors' Responsibilities Statement set out on page 31, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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.

What an audit of financial statements involves

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.

We have no exceptions to report in respect of either of these matters.

Other matter

We have reported separately on the parent company financial statements of The Mission Marketing Group plc for the year ended 31 December 2014.

Christopher Hicks BA FCA (Senior Statutory Auditor)

For and on behalf of Francis Clark LLP, Chartered Accountants and Statutory Auditors
Sigma House, Oak View Close, Edginswell Park, Torquay, TQ2 7FF

26 March 2015

Consolidated Income Statement for the year ended 31 December 2014

	Note	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
TURNOVER	2	125,547	124,090
Cost of sales		(70,575)	(72,496)
OPERATING INCOME	2	54,972	51,594
Headline operating expenses		(48,895)	(45,877)
HEADLINE OPERATING PROFIT		6,077	5,717
Exceptional items	4	-	(2,172)
Acquisition adjustments	5	14	307
OPERATING PROFIT		6,091	3,852
Net finance costs	6	(670)	(695)
PROFIT BEFORE TAXATION	7	5,421	3,157
Taxation	9	(1,179)	(804)
PROFIT FOR THE YEAR		4,242	2,353
Attributable to:			
Equity holders of the parent		4,197	2,353
Non-controlling interests		45	-
		4,242	2,353
Basic earnings per share (pence)	11	5.43	3.11
Diluted earnings per share (pence)	11	5.06	2.87
Headline basic earnings per share (pence)	11	5.50	4.82
Headline diluted earnings per share (pence)	11	5.13	4.45

The earnings per share figures derive from continuing and total operations.

Consolidated Statement of Comprehensive Income for the year ended 31 December 2014

	Note	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
PROFIT FOR THE YEAR		4,242	2,353
Other comprehensive income – items that may be reclassified separately to profit or loss:			
Exchange differences on translation of foreign operations		42	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,284	2,353
Attributable to:			
Equity holders of the parent		4,227	2,353
Non-controlling interests		57	-
		4,284	2,353

Consolidated Balance Sheet as at 31 December 2014

	Note	As at 31 December 2014 £'000	As at 31 December 2013 £'000
FIXED ASSETS			
Intangible assets	12	77,176	72,525
Property, plant and equipment	14	4,366	3,479
Deferred tax assets	21	60	-
		81,602	76,004
CURRENT ASSETS			
Stock and work in progress		361	365
Trade and other receivables	15	25,859	20,751
Cash and short term deposits	16	1,549	571
		27,769	21,687
CURRENT LIABILITIES			
Trade and other payables	17	(12,985)	(11,067)
Accruals		(8,958)	(7,035)
Corporation tax payable		(895)	(627)
Bank loans	18	(11,000)	(1,714)
Acquisition obligations	20.1	(1,219)	(375)
		(35,057)	(20,818)
NET CURRENT (LIABILITIES) / ASSETS		(7,288)	869
TOTAL ASSETS LESS CURRENT LIABILITIES		74,314	76,873
NON CURRENT LIABILITIES			
Bank loans	18	-	(9,573)
Obligations under finance leases	19	(11)	-
Acquisition obligations	20.1	(3,893)	(2,451)
Deferred tax liabilities	21	(26)	-
		(3,930)	(12,024)
NET ASSETS	2	70,384	64,849
CAPITAL AND RESERVES			
Called up share capital	23	8,340	7,699
Share premium account		42,203	40,288
Own shares	24	(260)	(462)
Share option reserve	25	264	614
Foreign currency translation reserve		30	-
Retained earnings		19,470	16,710
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		70,047	64,849
Non-controlling interests		337	-
TOTAL EQUITY		70,384	64,849

The financial statements were approved and authorised for issue on 26 March 2015 by the Board of Directors. They were signed on its behalf by:

Peter Fitzwilliam
Finance Director

Company registration number: 05733632

Consolidated Cash Flow Statement for the year ended 31 December 2014

	Year to 31 December 2014	Year to 31 December 2013
	£'000	£'000
Operating profit	**6,091**	3,852
Depreciation and amortisation charges	**1,815**	1,540
Goodwill and intangibles impairment charges	**-**	442
Movements in the fair value of contingent consideration	**(701)**	(660)
Loss on disposal of property, plant and equipment	**2**	1
Non cash charge for share options and shares awarded	**45**	173
(Increase) / decrease in receivables	**(2,916)**	3,860
Decrease in stock and work in progress	**16**	172
Increase / (decrease) in payables	**1,825**	(3,194)
OPERATING CASH FLOWS	**6,177**	6,186
Net finance costs	**(314)**	(467)
Tax paid	**(892)**	(1,556)
Net cash inflow from operating activities	**4,971**	4,163
INVESTING ACTIVITIES		
Proceeds on disposal of property, plant and equipment	**44**	148
Purchase of property, plant and equipment	**(2,186)**	(1,240)
Acquisition of subsidiaries during the year	**(2,062)**	(97)
Payment of obligations relating to acquisitions made in prior years	**(815)**	(550)
Adjustment to cost of acquisition of subsidiaries	**-**	94
Cash acquired with subsidiaries	**1,001**	18
Acquisition of intangibles	**-**	(65)
Adjustment to cost of intangibles acquired	**-**	(27)
Net cash outflow from investing activities	**(4,018)**	(1,719)
FINANCING ACTIVITIES		
Dividends paid	**(771)**	(192)
Movement in finance leases	**(73)**	(136)
Repayment of long term bank loans	**(571)**	(1,785)
Proceeds on issue of ordinary share capital	**2,257**	-
Cash settlement of equity warrants	**(675)**	-
Purchase of own shares held in EBT	**(184)**	(306)
Net cash outflow from financing activities	**(17)**	(2,419)
Increase in cash and cash equivalents	**936**	25
Exchange differences on translation of foreign subsidiaries	**42**	-
Cash and cash equivalents at beginning of year	**571**	546
Cash and cash equivalents at end of year	**1,549**	571

Consolidated Statement of Changes in Equity for the year ended 31 December 2014

	Share capital	Share premium	Own shares	Share option reserve	Foreign currency translation reserve	Retained earnings	Total attributable to equity holders of parent	Non-controlling interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2013	**7,699**	**40,288**	**(1,201)**	**441**	**-**	**15,457**	**62,684**	**-**	**62,684**
Total Comprehensive Income for the year	-	-	-	-	-	2,353	2,353	-	2,353
Credit for share option scheme	-	-	-	173	-	-	173	-	173
Own shares purchased	-	-	(306)	-	-	-	(306)	-	(306)
Shares awarded to employees and vendors from own shares	-	-	1,045	-	-	(908)	137	-	137
Dividend paid	-	-	-	-	-	(192)	(192)	-	(192)
At 31 December 2013	**7,699**	**40,288**	**(462)**	**614**	**-**	**16,710**	**64,849**	**-**	**64,849**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**4,197**	**4,197**	**45**	**4,242**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**-**	**30**	**-**	**30**	**12**	**42**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**30**	**4,197**	**4,227**	**57**	**4,284**
Non-controlling interest of new acquisitions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**280**	**280**
New shares issued	**641**	**1,915**	**-**	**-**	**-**	**-**	**2,556**	**-**	**2,556**
Credit for share option scheme	**-**	**-**	**-**	**45**	**-**	**-**	**45**	**-**	**45**
Own shares purchased	**-**	**-**	**(184)**	**-**	**-**	**-**	**(184)**	**-**	**(184)**
Shares awarded to employees from own shares	**-**	**-**	**386**	**-**	**-**	**(386)**	**-**	**-**	**-**
Settlement of warrants	**-**	**-**	**-**	**-**	**-**	**(675)**	**(675)**	**-**	**(675)**
Transfer from share option reserve to retained earnings	**-**	**-**	**-**	**(395)**	**-**	**395**	**-**	**-**	**-**
Dividend paid	**-**	**-**	**-**	**-**	**-**	**(771)**	**(771)**	**-**	**(771)**
At 31 December 2014	**8,340**	**42,203**	**(260)**	**264**	**30**	**19,470**	**70,047**	**337**	**70,384**

Notes to the Consolidated Financial Statements

1. Principal Accounting Policies

Basis of preparation

The Group's financial statements consolidate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. They have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and on the historical cost basis.

Basis of consolidation

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies used into line with those used by the Group.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Turnover and revenue recognition

The Group's operating subsidiaries carry out a range of different activities. The following policies apply consistently across subsidiaries and business segments.

Turnover represents fees, commissions, rechargeable expenses and sales of materials performed subject to specific contracts. Income is recognised on the following basis:

- Retainer fees are apportioned over the time period to which they relate.
- Project income is recognised by apportioning the fees billed or billable to the time period for which those fees were earned by relationship to the percentage of completeness of the project to which they relate.
- Media commission is recognised when the advertising has been satisfactorily aired or placed.
- Unbilled costs relating to contracts for services are included at rechargeable value in accrued income.

Where recorded turnover exceeds amounts invoiced to Clients, the excess is classified as accrued income (within Trade and other receivables). Where amounts invoiced to Clients exceed recorded turnover, the excess is classified as deferred income (within Accruals).

Goodwill and other intangible assets

Goodwill

Goodwill arising from the purchase of subsidiary undertakings and trade acquisitions represents the excess of the total cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary acquired. The total cost of acquisition represents both the unconditional payments made in cash and shares on acquisition and an estimate of future contingent consideration payments to vendors in respect of earn-outs.

Goodwill is not amortised, but is reviewed annually for impairment. Goodwill impairment is assessed by comparing the carrying value of goodwill for each cash-generating unit to the future cash flows, discounted to their net present value using an appropriate discount rate, derived from the relevant underlying assets. Where the net present value of future cash flows is below the carrying value of goodwill, an impairment adjustment is recognised in profit or loss and is not subsequently reversed.

Other intangible assets

Other intangible assets purchased separately, or separately identified as part of an acquisition, are amortised over periods of between 4 and 20 years, except certain brand names which are considered to have an indefinite useful life. The value of such brand names is not amortised, but rather an annual impairment test is applied and any shortfall in the present value of future cash flows derived from the brand name versus the carrying value is recognised in profit and loss.

1. Principal Accounting Policies (cont.)

Contingent consideration payments

The Directors manage the financial risk associated with making business acquisitions by structuring the terms of the acquisition, wherever possible, to include an element of the total consideration payable for the business which is contingent on its future profitability (ie earn-out). Contingent consideration is initially recognised at its estimated fair value based on a reasonable estimate of the amounts expected to be paid. Changes in the fair value of the contingent consideration that arise from additional information obtained during the first twelve months from the acquisition date, about facts and circumstances that existed at the acquisition date, are adjusted retrospectively, with corresponding adjustments against goodwill. The fair value of contingent consideration is reviewed annually and subsequent changes in the fair value are recognised in profit or loss, but excluded from headline profits.

Accounting estimates and judgements

The Group makes estimates and judgements concerning the future and the resulting estimates may, by definition, vary from the actual results. The Directors considered the critical accounting estimates and judgements used in the financial statements and concluded that the main areas of judgement are, in order of significance:

Potential impairment of goodwill

The potential impairment of goodwill is based on estimates of future cash flows derived from the financial projections of each cash-generating unit over an initial three year period and assumptions about growth thereafter, discussed in more detail in Note 12.

Contingent payments in respect of acquisitions

Contingent consideration, by definition, depends on uncertain future events. At the time of purchasing a business, the Directors use the financial projections obtained during due diligence as the basis for estimating contingent consideration. Subsequent estimates benefit from the greater insight gained in the post-acquisition period and the business' track record of financial performance.

Revenue recognition policies in respect of contracts which straddle the year end

Estimates of revenue to be recognised on contracts which straddle the year end are typically based on the amount of time so far committed to those contracts in relation to the total estimated time to complete them.

Valuation of intangible assets on acquisitions

When considering the valuation of intangible assets on acquisitions, a range of methods is undertaken both for identifying intangibles and placing valuations on them. Brand names, customer relationships and intellectual property rights are the most frequently identified intangible assets. The valuation of each element is assessed by reference to commonly used techniques, such as "relief from royalty" and "excess earnings" and to industry leaders and competitors. Estimating the length of customer retention is the principal uncertainty and draws on historic experience.

Share-based payment transactions

Equity-settled share-based payments, such as share options, are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of shares that will eventually vest.

Fair value is measured by use of a Black Scholes model on the grounds that there are no market related vesting conditions. The expected life used in the model has been adjusted, based on the Management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. Market price on any given day is obtained from external publicly available sources.

Foreign currencies

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 arising from normal trading activities are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are reflected in the profit or loss accordingly.

The income statements of overseas subsidiary undertakings are translated at average exchange rates and the year-end net assets of these companies are translated at year-end exchange rates. Exchange differences arising from retranslation of the opening net assets are reported in the consolidated statement of comprehensive income.

1. Principal Accounting Policies (cont.)

Property, plant and equipment

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful economic life, as follows:

Short leasehold property	Period of the lease
Motor vehicles	25% per annum
Fixtures, fittings and office equipment	10-33% per annum
Computer equipment	25-33% per annum

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Issue costs are offset against the proceeds of such instruments. Financial liabilities are released to income when the liability is extinguished.

Deferred taxation

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

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Going concern

The Group's available banking facilities provide comfortable levels of headroom against the Group's projected cash flows and the Directors accordingly consider that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

New standards, interpretations and amendments to existing standards

There are no material impacts arising from standards and interpretations applicable for the first time to these financial statements, as detailed in the prior year financial statements.

The Directors have considered all IFRS and IFRIC Interpretations issued but not yet in force, but most are either not applicable to the Group or are not expected to have a material impact. IFRS 15, Revenue from Contracts with Customers, will apply to the Group's 2015 financial statements but, at this stage, the Directors do not believe it will have a material impact.

2. Segmental Information

Business segmentation

For management purposes the Group had twelve operating units during the year: April Six, Big Communications, Bray Leino, balloon dog, Proof Communication, RLA Group, Solaris Healthcare Network, Speed Communications Agency (formerly Raymond Loewy International Limited trading as Speed), Splash Interactive Pte, Story UK and ThinkBDW (incorporating Robson Brown), each of which carries out a range of activities. These activities have been divided into four business and operating segments as defined by IFRS 8 which form the basis of the Group's primary reporting segments, namely: Branding, Advertising and Digital; Media; Events and Learning; and Public Relations.

Year to 31 December 2014	Branding, Advertising & Digital £'000	Media £'000	Events & Learning £'000	Public Relations £'000	Group £'000
Turnover	68,786	44,393	7,238	5,130	125,547
Operating income	44,036	4,036	2,769	4,131	54,972
Segmental operating profit ("trading profit")	6,014	949	89	632	7,684
Unallocated central costs					(1,607)
Headline operating profit					6,077
Investment income					34
Headline finance costs					(578)
Headline profit before tax					5,533
Profit adjustments (Note 3)					(112)
Reported profit before taxation					5,421
Taxation					(1,179)
Profit for period					4,242
Other Information					
Capital expenditure	1,942	25	131	85	2,183
Unallocated capital expenditure					3
Total capital expenditure					2,186
Depreciation and amortisation	1,432	94	82	125	1,733
Unallocated depreciation and amortisation					7
Total depreciation and amortisation					1,740
Balance Sheet					
Assets					
Segment assets	27,168	5,903	1,095	4,973	39,139
Unallocated corporate assets					70,232
Consolidated total assets					109,371
Liabilities					
Segment liabilities	14,763	5,575	557	2,365	23,260
Unallocated corporate liabilities					15,727
Consolidated total liabilities					38,987
Consolidated net assets	12,405	328	538	2,608	70,384

2. Segmental Information (cont.)

Unallocated corporate expenses include corporate administration expenses necessary for a quoted company. It is considered impractical to split the debt interest into segments.

The split of assets and liabilities has been estimated, as the businesses are integrated. Unallocated corporate assets and liabilities include unallocated IFRS assets and liabilities, corporate assets and liabilities, Group cash reserves and drawn debt liabilities.

Year to 31 December 2013	Branding, Advertising & Digital £'000	Media £'000	Events & Learning £'000	Public Relations £'000	Group £'000
Turnover	64,285	47,931	8,441	3,433	124,090
Operating income	41,515	4,414	3,054	2,611	51,594
Segmental operating profit ("trading profit")	5,655	1,147	89	110	7,001
Unallocated central costs					(1,284)
Headline operating profit					5,717
Investment income					1
Finance costs					(696)
Headline profit before tax					5,022
Profit adjustments (Note 3)					(1,865)
Reported profit before taxation					3,157
Taxation					(804)
Profit for period					2,353
Other Information					
Capital expenditure	1,044	33	115	48	1,240
Unallocated capital expenditure					-
Total capital expenditure					1,240
Depreciation and amortisation	1,201	112	185	35	1,533
Unallocated depreciation and amortisation					7
Total depreciation and amortisation					1,540
Balance Sheet					
Assets					
Segment assets	22,132	4,323	304	338	27,097
Unallocated corporate assets					70,594
Consolidated total assets					97,691
Liabilities					
Segment liabilities	9,983	4,573	76	63	14,695
Unallocated corporate liabilities					18,147
Consolidated total liabilities					32,842
Consolidated net assets / (liabilities)	12,149	(250)	228	275	64,849

Geographical segmentation

With the acquisition of Splash Interactive Pte. Ltd, trading in five territories in Asia, the Group's operations outside the UK are broadening, but substantially all the Group's business remains based and executed in the UK.

3. Reconciliation of Headline Profit to Reported Profit

The Board believes that headline profits, which eliminate certain amounts from the reported figures, provide a better understanding of the underlying trading of the Group. The adjustments to reported profits fall into two categories: exceptional items and acquisition-related items.

	Year to 31 December 2014		Year to 31 December 2013	
	PBT £'000	**PAT £'000**	PBT £'000	PAT £'000
Headline profit	**5,533**	**4,301**	5,022	3,649
Exceptional items (Note 4)	**(126)**	**(98)**	(2,172)	(1,679)
Acquisition-related items (Note 5)	**14**	**39**	307	383
Reported profit	**5,421**	**4,242**	3,157	2,353

In 2013, exceptional items included movements in the fair value of contingent consideration which are now disclosed as acquisition adjustments in the Consolidated Income Statement. The comparatives have been restated accordingly.

4. Exceptional Items

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Restructuring costs	**-**	1,523
Impairment of Addiction goodwill and intangibles	**-**	442
Loss on legal dispute with supplier	**-**	207
Exceptional items affecting reported operating profit	**-**	2,172
Accelerated amortisation of debt arrangement fees	**126**	-
Exceptional items affecting reported profit before tax	**126**	2,172

Exceptional items represent revenue or costs that, either by their size or nature, require separate disclosure in order to give a fuller understanding of the Group's financial performance.

On 5 February 2015, the Group signed new bank facilities replacing those in place at 31 December 2014 and, as a result, the remaining unamortised bank debt arrangement fees of £126,000 were fully written off during the year and have been classified as an exceptional item. In 2013 the main exceptional items were amounts payable for loss of office and other costs incurred relating to the restructuring of Bray Leino's London operations. This restructuring also resulted in the impairment of Addiction goodwill and other intangibles acquired.

5. Acquisition Adjustments

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Movement in fair value of contingent consideration	**701**	660
Amortisation of other intangibles recognised on acquisitions	**(436)**	(299)
Acquisition transaction costs expensed	**(251)**	(54)
	14	307

The movement in fair value of contingent consideration relates to a net downward revision in the estimate payable to vendors of businesses acquired in prior years. Acquisition transaction costs relate to the acquisitions made during the year as detailed in Note 20.

6. Net Finance Costs

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Interest income:		
Interest on bank deposits	**34**	1
Finance costs:		
Interest on bank loans and overdrafts	**(419)**	(506)
Amortisation of bank debt arrangement fees	**(159)**	(190)
Headline finance costs	**(578)**	(696)
Headline net finance costs	**(544)**	(695)
Accelerated amortisation of debt arrangement fees (Note 4)	**(126)**	-
Net Finance Costs	**(670)**	(695)

7. Profit on Ordinary Activities before Tax

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Profit on ordinary activities before taxation is stated after charging:-		
Depreciation of owned tangible fixed assets	**1,375**	1,135
Depreciation of tangible fixed assets held under finance leases	**4**	106
Amortisation of intangible assets	**436**	299
Loss on disposal of property, plant and equipment	**2**	1
Operating lease rentals – Land and buildings	**1,897**	1,386
Operating lease rentals – Plant and equipment	**330**	355
Operating lease rentals – Other assets	**188**	192
Staff costs (see Note 8)	**37,046**	35,057
Auditors' remuneration	**186**	167
Loss on foreign exchange	**6**	13

7. Profit on Ordinary Activities before Tax (cont.)

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Auditors' remuneration may be analysed by:		
Audit	**133**	113
Taxation	**23**	21
Corporate Finance	**23**	27
Other services	**7**	6
	186	167

Other services include review of the Group's Interim Announcement, accounting advice on various International Financial Reporting Standards and advice in relation to business issues.

8. Employee Information

The average number of Directors and staff employed by the Group during the year analysed by segment, was as follows:

	Year to 31 December 2014	Year to 31 December 2013
Branding, Advertising & Digital	**671**	649
Media	**36**	40
Events and Learning	**74**	91
Public Relations	**87**	44
Central	**4**	3
	872	827

The aggregate employee costs of these persons were as follows:

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Wages and salaries	**32,355**	30,199
Social security costs	**3,504**	3,461
Pension costs	**1,142**	1,232
Share based payment expense	**45**	165
	37,046	35,057

The Group operates nineteen defined contributions pension schemes. The pension cost charge for the year represents contributions payable by the Group to the schemes. At the end of the financial year outstanding contributions amounted to £91,000 (2013: £100,000).

8. Employee Information (cont.)

Directors' remuneration

Directors' remuneration and other benefits for the year were as follows (all amounts in £s):

	Salary / Fees	Performance -related payments	Benefits	Pension	Gain on exercise of share options*	Total 31 December 2014	Total 31 December 2013
Current directors							
Dylan Bogg	146,450	39,000	5,423	9,750	15,600	216,223	179,456
Stephen Boyd (Note 2)	37,500	-	-	-	-	37,500	37,500
James Clifton	157,932	-	1,996	20,000	-	179,928	166,772
Robert Day	108,750	-	-	-	40,820	149,570	160,983
Peter Fitzwilliam	138,825	20,000	-	24,894	13,000	196,719	162,505
Chris Goodwin	118,190	-	12,600	11,987	5,200	147,977	141,723
Giles Lee	145,417	-	18,500	9,992	26,000	199,909	182,436
David Morgan	114,020	-	22,950	-	13,000	149,970	137,436
Chris Morris (Note 3)	97,833	20,000	1,886	-	7,280	126,999	98,552
Sue Mullen	146,022	19,450	150	13,125	2,600	181,347	164,813
Fiona Shepherd	162,500	42,000	5,097	-	10,400	219,997	159,467
Former directors							
Bruce Hutton (Note 4) (to 28 February 2013)	-	-	-	-	-	-	122,282
	1,373,439	**140,450**	**68,602**	**89,748**	**133,900**	**1,806,139**	**1,713,925**

Notes:

* The gain on exercise of share options is calculated as the difference between the market price of the shares on the date of exercise and the price paid for the shares.

1. Dylan Bogg, James Clifton, Robert Day, Chris Goodwin, Giles Lee, Sue Mullen and Fiona Shepherd were paid £12,500 as TMMG plc Directors, with the balance of their remuneration paid as Directors and employees of subsidiary companies for services rendered there.
2. Stephen Boyd was paid £7,500 as a TMMG plc Director during the year (2013: £4,375). In addition he was paid £30,000 for his services through Stephen Boyd Ltd, a company controlled by him.
3. Chris Morris was paid £42,500 as a TMMG plc Director during the year (2013: £42,500). In addition, he was paid for his consulting services through a consultancy practice owned by him, Morris Marketing Consultancy.
4. Included in Bruce Hutton's remuneration is an amount of £90,950 of compensation for loss of office.

9. Taxation

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Current tax:-		
UK corporation tax at 21.5% (2013: 23.25%)	**1,120**	810
Adjustment for prior periods	**(13)**	(6)
Foreign tax on profits of the period	**51**	-
	1,158	804
Deferred tax:-		
Current year reversing/(originating) temporary differences	**21**	-
Tax charge for the year	**1,179**	804

Factors affecting the tax charge for the current year:

The tax assessed for the year is marginally higher than the standard rate of corporation tax in the UK. The differences are:

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Profit before taxation	**5,421**	3,157
Profit on ordinary activities before tax at the standard rate of corporation tax of 21.5% (2013: 23.25%)	**1,165**	734
Effect of:		
Non-deductible expenses / income not taxable	**136**	154
Timing differences relating to deductibility of share options	**(68)**	(12)
Movement in fair value of contingent consideration, not taxable	**(151)**	(153)
Adjustments to prior periods	**(13)**	(6)
Movement on provisions	**17**	(42)
Depreciation in excess of capital allowances	**100**	137
Other differences	**(7)**	(8)
Actual tax charge for the year	**1,179**	804

10. Dividends

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Amounts recognised as distributions to equity holders in the year:		
Interim dividend of 0.25 pence (2013: 0.25 pence) per share	**205**	192
Final dividend of 0.75 pence (2013: nil)	**566**	-
	771	192

A final dividend of 0.85 pence is to be paid on 20 July 2015 to those shareholders on the register at 10 July 2015. In accordance with IFRS the final dividend of 0.85p will be recognised in the 2015 accounts, should it be approved by shareholders at the AGM.

11. Earnings Per Share

The calculation of the basic and diluted earnings per share is based on the following data, determined in accordance with the provisions of IAS 33: Earnings per Share.

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Earnings		
Reported profit for the year	**4,242**	2,353
Attributable to:		
Equity holders of the parent	**4,197**	2,353
Non-controlling interests	**45**	-
	4,242	2,353
Headline earnings (Note 3)	**4,301**	3,649
Attributable to:		
Equity holders of the parent	**4,256**	3,649
Non-controlling interests	**45**	-
	4,301	3,649
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**77,333,357**	75,668,570
Dilutive effect of securities:		
Employee share options	**3,711,804**	3,886,360
Bank warrants	**1,927,758**	2,510,283
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**82,972,919**	82,065,213
Reported basis:		
Basic earnings per share (pence)	**5.43**	3.11
Diluted earnings per share (pence)	**5.06**	2.87
Headline basis:		
Basic earnings per share (pence)	**5.50**	4.82
Diluted earnings per share (pence)	**5.13**	4.45

Basic earnings per share includes shares to be issued subject only to time as if they had been issued at the beginning of the period.

A reconciliation of the profit after tax on a reported basis and the headline basis is given in Note 3.

12. Intangible Assets

Goodwill	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Cost		
At 1 January	**75,278**	74,314
Recognised on acquisition of subsidiaries	**4,048**	1,058
Adjustment to consideration	**-**	(94)
At 31 December	**79,326**	75,278
Impairment adjustment		
At 1 January	**4,273**	3,995
Impairment during the year	**-**	278
At 31 December	**4,273**	4,273
Net book value at 31 December	**75,053**	71,005

In accordance with the Group's accounting policies, an annual impairment test is applied to the carrying value of goodwill. The review performed assesses whether the carrying value of goodwill is supported by the net present value of projected cash flows derived from the underlying assets for each cash-generating unit ("CGU"). The initial projection period of three years includes the annual budget for each CGU, based on insight into Clients' planned marketing expenditure and targets for net new business growth derived from historical experience, and extrapolations of the budget in subsequent years based on known factors and estimated trends. The key assumptions used by each CGU concern revenue growth and staffing levels, and different assumptions are made by different CGUs based on their individual circumstances. After the initial projection period, an annual growth rate of 2.5% was assumed for all units and the resulting pre-tax cash flow forecasts were discounted using the Group's estimated pre-tax weighted average cost of capital, which is 8.3%. For all CGUs, the Directors assessed the sensitivity of the impairment test results to changes in key assumptions and concluded that a reasonably possible change to the key assumptions would not cause the carrying value of goodwill to exceed the net present value of its projected cash flows.

Goodwill arose from the acquisition of the following subsidiary companies and trade assets and is comprised of the following substantial components:

	31 December 2014 £'000	31 December 2013 £'000
April-Six Ltd	**9,411**	9,411
Big Communications Ltd	**8,125**	8,125
Bray Leino Ltd	**27,761**	30,846
Fox Murphy Ltd (trading as balloon dog)	**1,514**	1,514
Proof Communication Ltd	**576**	-
Speed Communications Agency Ltd	**3,686**	-
RLA Group Ltd	**6,572**	6,572
Solaris Healthcare Network Ltd	**1,058**	1,058
Splash Interactive Pte. Ltd	**2,391**	-
Story UK Ltd	**6,969**	6,969
ThinkBDW Ltd	**6,283**	6,283
Other smaller acquisitions	**707**	227
	75,053	71,005

During the year £3,085,000 of the goodwill value of Bray Leino Ltd was reallocated to Speed in order to reflect the transfer of Bray Leino's PR division into the Speed business.

12. Intangible Assets (cont.)

Other intangible assets	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Cost		
At 1 January	**2,079**	1,209
Additions	**1,302**	870
At 31 December	**3,381**	2,079
Amortisation and impairment		
At 1 January	**559**	95
Amortisation charge for the year	**436**	299
Impairment charge for the year	**263**	165
At 31 December	**1,258**	559
Net book value	**2,123**	1,520

Additions of £1,302,000 in the year include Client relationships and trade names acquired relating to the Proof, Speed and Splash acquisitions, of which £346,000 relates to trade names deemed to have an indefinite useful life (2013: £870,000 includes intellectual property rights acquired, product development costs capitalised, and Client relationships and trade names acquired relating to Solaris Healthcare of which £140,000 relates to trade names deemed to have an indefinite useful life).

Included within the value of intangible assets is an amount of £649,000 (2013: £303,000) relating to trade names of businesses acquired, which are deemed to have indefinite useful lives. These trade names have attained recognition in the market place and the companies acquired will continue to operate under the relevant trade names, which will play a role in developing and sustaining customer relationships for the foreseeable future. As such, it is the Directors' judgement that the useful life of these trade names is considered to be indefinite.

13. Subsidiaries

The Group's principal trading subsidiaries are listed below. All subsidiaries are 100% owned and all are incorporated in the United Kingdom, except for Splash Interactive Pte. Ltd, which is 70% owned and incorporated in Singapore.

Subsidiary undertaking	Nature of business
April-Six Ltd	Marketing communications, specialising in the technology sector
Big Communications Ltd	Advertising, digital marketing, brand planning and strategic development
Bray Leino Ltd	Advertising, media buying, digital marketing, events and training
Fox Murphy Ltd (trading as balloon dog)	Marketing communications
Proof Communication Ltd*	Public relations, specialising in science, engineering and technology
Speed Communications Agency Ltd	Public relations
RLA Group Ltd	Marketing communications
Solaris Healthcare Network Ltd	Marketing communications, specialising in the medical sector
Splash Interactive Pte. Ltd*	Digital marketing
Story UK Ltd	Brand development and creative direct communication
ThinkBDW Ltd	Property marketing, providing advertising, media, brochures, signage, exhibitions, CGI, animation, intranet, photography

*All subsidiaries are held directly by The Mission Marketing Group plc except where indicated by an asterisk.

14. Property, Plant and Equipment

	Short Leasehold Property £'000	Fixtures & Fittings & Office Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost or valuation					
At 1 January 2013	**1,681**	**2,686**	**4,328**	**249**	**8,944**
Acquisition of subsidiaries	-	19	1	-	20
Additions	18	365	797	60	1,240
Reclassification of hire stock	-	553	-	-	553
Disposals	(25)	(48)	(566)	(69)	(708)
At 31 December 2013	**1,674**	**3,575**	**4,560**	**240**	**10,049**
Acquisition of subsidiaries	16	251	359	-	626
Additions	369	983	813	21	2,186
Disposals	(72)	(513)	(1,344)	(52)	(1,981)
At 31 December 2014	**1,987**	**4,296**	**4,388**	**209**	**10,880**
Depreciation					
At 1 January 2013	**1,135**	**1,610**	**2,801**	**168**	**5,714**
Acquisition of subsidiaries	-	5	-	-	5
Reclassification of hire stock	-	169	-	-	169
Charge for the year	87	377	729	48	1,241
Disposals	(15)	(37)	(432)	(75)	(559)
At 31 December 2013	**1,207**	**2,124**	**3,098**	**141**	**6,570**
Acquisition of subsidiaries	3	182	316	-	501
Charge for the year	112	489	735	43	1,379
Disposals	(61)	(503)	(1,344)	(28)	(1,936)
At 31 December 2014	**1,261**	**2,292**	**2,805**	**156**	**6,514**
Net book value at 31 December 2014	**726**	**2,004**	**1,583**	**53**	**4,366**
Net book value at 31 December 2013	**467**	**1,451**	**1,462**	**99**	**3,479**

The net book amount includes £18,000 (2013: £143,000) in respect of assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £4,000 (2013: £106,000).

15. Trade and Other Receivables

	31 December 2014 £'000	31 December 2013 £'000
Gross trade receivables	**19,073**	15,451
Less: Provision for doubtful debts	**(133)**	(61)
	18,940	15,390
Other receivables	**689**	573
Prepayments	**1,568**	1,088
Accrued income	**4,662**	3,700
	25,859	20,751

An allowance has been made for estimated irrecoverable amounts from the provision of services of £133,000 (2013: £61,000). The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables and investments, which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is primarily attributable to its trade receivables. In order to mitigate this risk, the Group has arranged credit insurance on certain of its trade receivables as deemed appropriate. Where credit insurance is not considered cost effective, the Group monitors credit-worthiness closely and mitigates risk, where appropriate, through payment plans.

The credit risk on cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

16. Cash and Short Term Deposits

Cash and short term deposits comprise cash held by the Group and short term bank deposits.

17. Trade and Other Payables

	31 December 2014 £'000	31 December 2013 £'000
Trade creditors	**9,258**	7,589
Finance leases	**12**	69
Other creditors	**439**	355
Other tax and social security payable	**3,276**	3,054
	12,985	11,067

Trade and other creditors principally comprise amounts outstanding for trade purchases and on-going costs. The Directors consider that the carrying amount of trade payables approximates their fair value.

18. Bank Overdrafts, Loans and Net Debt

	31 December 2014 £'000	31 December 2013 £'000
Bank loan outstanding	**11,000**	11,572
Unamortised bank debt arrangement fees	**-**	(285)
Carrying value of loan outstanding	**11,000**	11,287
Less: Cash and short term deposits	**(1,549)**	(571)
Net bank debt	**9,451**	10,716
The borrowings are repayable as follows:		
Less than one year	**11,000**	1,714
In one to two years	**-**	9,858
In more than two years but less than three years	**-**	-
	11,000	11,572
Unamortised bank debt arrangement fees	**-**	(285)
	11,000	11,287
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(11,000)**	(1,714)
Amount due for settlement after 12 months	**-**	9,573

Bank debt arrangement fees, where they can be amortised over the life of the loan facility, are included in finance costs. The unamortised portion is reported as a reduction in bank loans outstanding.

At 31 December 2014, the Group had a term loan facility of £4.0m due for repayment by December 2015 on a quarterly basis, and a revolving credit facility of up to £7.0m (fully drawn), expiring on 27 December 2015. As a result, the full £11.0m of outstanding loans at 31 December 2014 is classified within current liabilities in the Group balance sheet. On 5 February 2015, the Group signed new bank facilities replacing those in place at 31 December 2014. The new facilities are an £8m term loan and a revolving credit facility of up to £7m, both repayable by 5 February 2019. Had these new facilities been in place at 31 December 2014, £1.5m of the outstanding loans would have been classified within current liabilities and £9.5m within non current liabilities.

Interest on the old term loan and revolving credit facilities was based on 3 month LIBOR plus 2.75%, payable in cash on loan rollover dates. Interest rate margins on the new facilities are lower, at 2.25%.

In addition to its committed facilities, the Group had available an overdraft facility of up to £3.0m with interest payable by reference to National Westminster Bank plc Base Rate plus 3.5%. In February 2015, this overdraft facility was replaced by a new facility with a 2.5% interest rate margin.

At 31 December 2014, there was a cross guarantee structure in place with the Group's bankers by means of a fixed and floating charge over all of the assets of the Group companies in favour of Royal Bank of Scotland plc. This cross guarantee structure has been maintained since the agreement of the new facilities.

All borrowings are in sterling.

19. Obligations under Finance Leases

Obligations under finance leases are as follows:

	31 December 2014 £'000	31 December 2013 £'000
In one year or less	**12**	69
Between two and five years	**11**	-
	23	69

Assets held under finance leases consist of office equipment. The fair values of the Group's lease obligations approximate their carrying amount.

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

20. Acquisitions

20.1 Acquisition obligations

The terms of an acquisition may provide that the value of the purchase consideration, which may be payable in cash or shares or other securities at a future date, depends on uncertain future events such as the future performance of the acquired company. The Directors estimate that the liability for contingent consideration payments that may be due is as follows:

	31 December 2014			31 December 2013		
	Cash £'000	Shares £'000	Total £'000	Cash £'000	Shares £'000	Total £'000
Less than one year	1,219	-	1,219	375	-	375
Between one and two years	1,368	40	1,408	913	48	961
In more than two years but less than three years	1,113	-	1,113	869	47	916
In more than three years but less than four years	277	-	277	574	-	574
In more than four years but less than five years	548	-	548	-	-	-
In more than five years	547	-	547	-	-	-
	5,072	**40**	**5,112**	2,731	95	2,826

20.2 Acquisition of Proof Communication Ltd

On 1 August 2014, the Group acquired the whole issued share capital of Proof Communication Ltd ("Proof"), a specialist science, engineering and technology PR business, to extend and complement the services already being provided by April Six in the technology sector. The fair value of the consideration given for the acquisition was £1,493,000, comprising initial cash and share consideration and deferred contingent cash consideration. 115,347 ordinary shares were issued as part of the initial consideration. Costs relating to the acquisition amounted to £36,000 and were expensed.

Maximum contingent consideration of £1,017,000 is dependent on Proof achieving a profit target over the period 1 January 2014 to 31 December 2015. The Group has provided for contingent consideration of £511,000 to date.

The fair value of the net identifiable assets acquired was £583,000 resulting in goodwill and other intangible assets of £910,000. Goodwill arises on consolidation and is not tax-deductible. Management carried out a review to assess whether any other intangible assets were acquired as part of the transaction. Management concluded that customer relationships were acquired and attributed a value to this by applying commonly accepted valuation methodologies. The goodwill arising on the acquisition is attributable to the anticipated profitability of the Company.

20. Acquisitions (cont.)

	Book Value £'000	Fair Value Adjustments £'000	Fair Value £'000
Net assets acquired:			
Fixed assets	26	-	26
Trade and other receivables	279	-	279
Cash and cash equivalents	526	-	526
Trade and other payables	(227)	-	(227)
Long term creditors and provisions	(21)	-	(21)
	583	-	583
Other intangibles recognised at acquisition	-	334	334
	583	334	917
Goodwill			576
Total consideration			1,493
Satisfied by:			
Cash			923
Shares			59
Deferred contingent consideration			511
			1,493

Proof contributed turnover of £514,000, operating income of £457,000 and headline operating profit of £121,000 to the results of the Group since acquisition.

20.3 Acquisition of Splash Interactive Pte. Ltd

On 30 September 2014, the Group acquired 70% of the issued share capital of Splash Interactive Pte. Ltd ("Splash"), a specialist digital agency operating through five territories in Asia, to enhance the Group's digital competence and to support the Group's existing Asia-based Clients. The fair value of the consideration given for the acquisition was £2,643,000, comprising initial cash consideration and deferred contingent cash consideration. Costs relating to the acquisition amounted to £172,000 and were expensed. In addition, the Group has an option to purchase, and the vendors also have an option to sell, the remaining 30% of the issued share capital from 1 January 2018. This option has been recognised at its estimated future cost of £1,094,000, bringing the total consideration to £3,737,000.

Maximum contingent consideration of £6,939,000 is dependent on Splash achieving various profit targets over the period October 2014 to December 2017. The Group has provided for contingent consideration of £2,200,000 to date.

The fair value of the net identifiable assets acquired was £932,000, of which the Group's 70% share amounted to £652,000, resulting in goodwill and other intangible assets of £3,085,000. The non-controlling interest is measured at the non-controlling interests' proportionate share of Splash's identifiable net assets. Goodwill arises on consolidation and is not tax-deductible. Management carried out a review to assess whether any other intangible assets were acquired as part of the transaction. Management concluded that both a brand name and customer relationships were acquired and attributed a value to each of these by applying commonly accepted valuation methodologies. The goodwill arising on the acquisition is attributable to the anticipated profitability of the Company.

20. Acquisitions (cont.)

		Book Value £'000	Fair Value Adjustments £'000	Fair Value £'000
Net assets acquired:				
Fixed assets		69	-	69
Deferred tax asset		16	-	16
Trade and other receivables		1,509	-	1,509
Cash and cash equivalents		315	-	315
Trade and other payables		(977)	-	(977)
		932	-	932
Non-controlling interests		(280)	-	(280)
		652	-	652
Other intangibles recognised at acquisition		-	694	694
		652	694	1,346
Goodwill				2,391
Total consideration				3,737
Satisfied by:				
Cash				443
Deferred contingent consideration	- for existing 70%			2,200
	- for option over 30%			1,094
				3,737

Splash contributed turnover of £925,000, operating income of £760,000 and headline operating profit of £197,000 to the results of the Group since acquisition.

20.4 Acquisition of Speed Communications Agency Ltd (formerly Raymond Loewy International Limited trading as Speed)

On 31 October 2014, the Group acquired the whole issued share capital of Speed Communications Agency Ltd (formerly Raymond Loewy International Limited trading as Speed) ("Speed") in order to bring greater scale to the Group's existing PR capabilities, thereby opening up new opportunities to win Clients. The fair value of the consideration given for the acquisition was £815,000, comprising initial cash and share consideration and deferred contingent cash and share consideration. 600,000 ordinary shares were issued as part of the initial consideration. Costs relating to the acquisition amounted to £30,000 and were expensed.

Maximum contingent consideration of £140,000 is dependent on Speed achieving various profit targets over the period November 2014 to December 2015. The Group has provided for contingent consideration of £140,000.

The fair value of the net identifiable liabilities acquired was £60,000 resulting in goodwill and other intangible assets of £875,000. Goodwill arises on consolidation and is not tax-deductible. Management carried out a review to assess whether any other intangible assets were acquired as part of the transaction. Management concluded that both a brand name and customer relationships were acquired and attributed a value to each of these by applying commonly accepted valuation methodologies. The goodwill arising on the acquisition is attributable to the anticipated profitability of the Company.

20. Acquisitions (cont.)

	Book Value £'000	Fair Value Adjustments £'000	Fair Value £'000
Net assets acquired:			
Fixed assets	31	-	31
Deferred tax asset	42	-	42
Trade and other receivables	431	(27)	404
Work in progress	12	-	12
Cash and cash equivalents	160	-	160
Trade and other payables	(709)	-	(709)
	(33)	(27)	(60)
Other intangibles recognised at acquisition	-	274	274
	(33)	247	214
Goodwill			601
Total consideration			815
Satisfied by:			
Cash			435
Shares			240
Deferred contingent consideration			140
			815

Speed contributed turnover of £327,000, operating income of £284,000 and a headline operating loss of £40,000 to the results of the Group since acquisition.

20.5 Other acquisitions

A total of £480,000 was invested in other acquisitions during the year, comprising initial cash consideration of £225,000 and deferred contingent consideration of £255,000.

20.6 Pro-forma results including acquisitions

The Directors estimate that the turnover, operating income and headline operating profit of the Group would have been approximately £131.0m, £59.5m and £6.3m had the Group consolidated the results of Proof, Splash and Speed from the beginning of the year.

21. Deferred Taxation

The deferred taxation asset of £60,000 (2013: £nil) and the deferred taxation liability of £26,000 (2013: £nil) recognised in the financial statements is set out below:

	31 December 2014 £'000	31 December 2013 £'000
Depreciation in excess of capital allowances	**34**	-
Other timing differences	**-**	-
	34	-
Classified as:		
Deferred tax asset	**60**	-
Deferred tax liability	**(26)**	-

The movement in the year is analysed as follows:

	31 December 2014 £'000	31 December 2013 £'000
As at 1 January	**-**	-
Acquisition of subsidiaries	**53**	-
Expense to profit or loss	**(19)**	-
As at 31 December	**34**	-

22. Financial Commitments

Operating lease commitments

As at 31 December the Group had annual commitments under non-cancellable operating leases as follows:

	31 December 2014		**31 December 2013**	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
Operating leases which expire:				
Within one year	**502**	**22**	129	60
Between two and five years	**1,098**	**618**	824	455
After more than 5 years	**1,629**	**-**	414	-
	3,229	**640**	1,367	515

23. Share Capital

	31 December 2014 £'000	31 December 2013 £'000
Allotted and called up:		
83,398,195 ordinary shares of 10p each (2013: 76,990,940 ordinary shares of 10p each)	**8,340**	7,699

Options

The Group has the following options in issue:

	At start of year	Granted	Waived/lapsed	Exercised	At end of year
TMMG Long Term Incentive Plan	4,046,500	795,000	(597,843)	(777,257)	3,466,400
Bank warrants	2,516,021	78,248	(2,594,269)	-	-

The TMMG Long Term Incentive Plan ("LTIP") was created to incentivise senior employees across the Group. Nil cost options are awarded at the discretion of the Remuneration Committee of the Board, and vest three years later only if the profit performance of the Group in the intervening period is sufficient to meet predetermined criteria (always subject to Remuneration Committee discretion). During the year, 777,257 of these options were exercised at a weighted average share price of 47.0p and at the end of the year 42,900 of the outstanding options are exercisable.

Shares held in an Employee Benefit Trust (see Note 24) will be used to satisfy share options exercised under The Mission Marketing Group Long Term Incentive Plan.

Warrants over 3.156% of the Group's fully diluted share capital, with an exercise price of 10p per share, were issued to the Group's loan providers following the refinancing completed in 2010, exercisable at any time until April 2017. In October 2014, agreements were reached with the Group's warrant holders under which the holders accepted a cash amount in full and final settlement of their rights to subscribe for shares under the warrant deed. The total settlement cost to the Group was £675,000.

24. Own Shares

	No. of shares	£'000
At 31 December 2012	1,460,507	1,201
Own shares purchased during the year	1,125,752	306
Awarded to employees during the year	(471,663)	(388)
Awarded to vendors as purchase consideration	(799,001)	(657)
At 31 December 2013	**1,315,595**	**462**
Own shares purchased during the year	**155,644**	**58**
Awarded to employees during the year	**(560,255)**	**(260)**
At 31 December 2014	**910,984**	**260**

Shares are held in an Employee Benefit Trust to meet certain requirements of The Mission Marketing Group Long Term Incentive Plan.

25. Share Option Reserve

The share option reserve represents charges to the profit or loss required by IFRS 2 to reflect the cost of the options issued to the Directors and employees.

26. Share-Based Payments

Options

Fair value on grant date is measured by use of a Black Scholes model. The valuation methodology is applied at each year end and the valuation revised to take account of any changes in estimate of the likely number of shares expected to vest. Details of the relevant option schemes are given in Note 23. The key inputs are:

	2014	2013
Share price	47.75p	27p
Risk free rate	1.5%	0.7%
Dividend yield	1.0%	1.0%

Volatility is based on the historical volatility of the share price over a 3 year trading period although, for nil-cost options issued under the Group's Long Term Incentive Scheme, volatility does not impact the calculation of fair value. The weighted average share price over the three years ending 31 December 2014 was 33.3p.

The Group recognised an expense of £45,000 in 2014 (2013: £173,000).

27. Financial Assets and Liabilities

Capital management

The Group defines "capital" as being debt plus equity. Net bank debt comprises short and long term borrowings net of cash, cash equivalents and the unamortised balance of bank renegotiation fees as analysed in Note 18. In addition, the Group treats its commitment to future consideration payments under acquisition agreements as another component of debt. Equity comprises issued share capital, reserves and retained earnings as disclosed in the balance sheet and in the consolidated statement of changes in equity.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and maintain an appropriate capital structure to balance the needs of the Group to grow, whilst operating with sufficient headroom within its bank covenants. The principal measures by which the Directors monitor capital risk are the ratios of net bank debt to EBITDA and total debt (including both net bank debt and estimated acquisition consideration payable) to EBITDA. (Note that, since acquisition consideration is dependent on future levels of profitability in the acquired business, which are inevitably uncertain, the Directors calculate this ratio by reference to the amount of consideration which would be payable if the acquired business were to maintain its current level of profitability.) The Directors have set targets of remaining below x2 and x2.5 for these ratios respectively.

Financial risk management

The Group's financial instruments comprise cash and various forms of borrowings. As permitted by IAS 39, short-term debtors and creditors have been excluded.

Substantially all the Group's activities take place in the United Kingdom, although April Six's expansion into the US and the recent acquisition of Splash, have started to expand the Group's exposure to foreign currencies. Where revenue is generated in one currency and costs are incurred in another, the Group aims to agree pricing at the outset of a piece of work and then hedge its foreign currency exposure, if considered significant, through the use of forward exchange contracts. There was no material foreign currency exposure at the year end.

The main purpose of the Group's use of financial instruments is for day-to-day working capital and as part of the funding for past acquisitions. The Group's financial policy and risk management objective is to achieve the best interest rates available whilst maintaining flexibility and minimising risk. The main risks arising from the Group's use of financial instruments are interest rate risk and liquidity risk.

Interest rate risk

The operations of the Group generate cash and it funds acquisitions through a combination of retained profits, equity issues and borrowings. The Group's financial liabilities comprise floating rate instruments. The bank loan's interest rate is reset from time to time and accordingly is not deemed a fixed rate financial liability.

Interest on both the Group's revolving credit facility and its term loan is payable by reference to 3 month LIBOR, subject to downward or upward ratchets depending on certain ratios of debt to EBITDA on a quarterly basis. With the recent agreement of new bank facilities, the Directors have considered again the relative merits of the use of hedging instruments to limit the exposure to interest rate risk. Given the Group's very significant levels of interest cover (ratio of EBITDA to net finance costs), the Directors have decided not to enter into any new hedging instrument. The interest rate cap taken out in December 2012 limits the Group's exposure to 3 month LIBOR to 1.0% and matures on 30 June 2015. The cap arrangement will not be renewed.

Liquidity risk

The Group's financial instruments include a mixture of short and long-term borrowings. The Group seeks to ensure sufficient liquidity is available to meet working capital needs and the repayment terms of the Group's financial instruments as they mature.

	31 December 2014 £'000
Financial assets	
Cash at bank maturing in less than one year or on demand	1,549

27. Financial Assets and Liabilities (cont.)

	Bank Loan and Overdraft £'000	Finance Leases £'000	Acquisition Obligations £'000	Interest Rate Cap £'000	31 December 2014 Total £'000
Financial liabilities					
Interest analysis:					
Subject to floating rates	11,000	-	-	-	11,000
Subject to fixed rates	-	23	5,112	4	5,139
	11,000	23	5,112	4	16,139
Maturity analysis:					
One year or less, or on demand	11,000	12	1,219	4	12,235
In one to two years	-	11	1,408	-	1,419
In two to three years	-	-	1,114	-	1,114
In three to four years	-	-	277	-	277
In four to five years	-	-	547	-	547
In more than five years	-	-	547	-	547
	11,000	23	5,112	4	16,139

The Group's bank loans and overdraft facility are floating rate borrowings and all facilities are secured by a fixed and floating charge over the assets of all Group companies.

The fair value of the Group's financial assets and liabilities is not considered to be materially different from their book values.

28. Leave Pay Accrual

No liability or expense has been recognised relating to untaken leave for any of the periods presented. The Group has a policy of not allowing days to be carried forward from one year to the next, unless in exceptional circumstances. In addition, no payment is made in lieu of untaken leave which is not carried forward. As a result, there is no material liability relating to untaken leave at year end.

29. Post Balance Sheet Events

On 5 February 2015, the Directors agreed new bank facilities. Further details of these facilities are set out in the Strategic Report and Note 18.

On 13 February 2015, Story UK Ltd acquired the whole issued share capital of The Weather Digital and Print Communications Limited ("The Weather"), a digital marketing Agency based in Edinburgh, to enhance the range of digital services provided by Story. Consideration payable is up to £880,000 in cash and shares, of which a cash payment of £255,000 has been made and 210,136 new ordinary shares issued. Contingent consideration is dependent on The Weather achieving profit targets over the period to 31 December 2015. The net assets acquired are estimated to be approximately £0.1m and the main intangible assets acquired are customer relationships and goodwill.

30. Related Party Transactions

The Directors consider that the Directors of the Company represent the Group's key management personnel for the purposes of disclosing related party transactions. Directors' remuneration is disclosed in detail in Note 8. The total compensation payable to key management personnel is detailed below.

	Year to 31 December 2014 £'000	Year to 31 December 2013 £'000
Short-term employee benefits	**1,542**	1,437
Post-employment benefits	**90**	198
Share based payments	**134**	79
	1,766	1,714

Parent company

Stephen Boyd Ltd, an entity of which Stephen Boyd is an interested party, received £30,000 (2013: £33,125) for the provision of his advisory services. In addition, Morris Marketing Consultancy, an entity in which Chris Morris is an interested party, received £55,333 (2013: £42,000) for the provision of consultancy services.

Subsidiary undertakings

Bray Leino Ltd is contracted to pay annual rent of £60,000 (2013: £60,000) to Mrs P H Morgan, the wife of Mr D W Morgan, Chairman of The Mission Marketing Group plc. As at the year end there were no amounts due from or owed to Mrs P H Morgan. Bray Leino Ltd is also contracted to rent premises from Hannele Ltd, in which Mr D W Morgan has a 100% beneficial interest. During the year annual rent of £74,000 (2013: £74,000) and property management fees of £24,000 (2013: £18,000) were paid to Hannele Ltd. Until January 2014 Bray Leino Ltd also rented premises from a partnership, in which Hannele Ltd has a 50% interest, for an annual rent of £60,000 (2013: £60,000). As at the year end there were no amounts due from or owed to Hannele Ltd.

Bray Leino Ltd provides services at arms length prices to Axminster Carpets Limited, a company of which Robert Day (Executive Director) and Stephen Boyd (Non-Executive Director) are both directors & shareholders. The value of sales during the year amounted to £nil (2013: £65,000).

ThinkBDW Ltd is contracted to pay annual rent to Robert Day Associates Ltd, a company controlled by Mrs K Day (wife of Robert Day, Executive Director) and Mrs A Day (wife of Mr A Day, brother of Robert Day, Executive Director). The annual rental payable of £35,000 (2013: £35,000) was set at market value. The lease terminated on 30 September 2014. Rent payable in the year was £26,250 (2013: £35,000). An additional lease contract commenced on 2 May 2013 under which annual rental of £175,000, set at market value, is payable to Robert Day Associates Ltd. The lease commenced on 2nd May 2013 with an amendment in January 2014. Rent payable in the year was £154,315 (2013: £82,893). The landlord made contributions of £944,634 to the company in respect of the cost of remodelling the building.

Big Communications Ltd paid rent during the year of £74,000 (2013: £72,962) to four individuals, including Dylan Bogg (Executive Director) and Chris Morris (Non-Executive Director). Mr Morris also received a benefit of £1,886 (2013: £1,801) from the company.

31. Availability of Annual Report

Copies of the Annual Report for the year ended 31 December 2014 will be circulated to shareholders at least 21 days ahead of the Annual General Meeting ("AGM") on 15 June 2015 and, after approval at the AGM, will be delivered to the Registrar of Companies. Further copies will be available from the Company's registered office and on the Group's website, www.themission.co.uk.

Independent Auditor's Report to the Members of The Mission Marketing Group plc

Report on the parent company financial statements

Our opinion

In our opinion the parent company financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

We have audited the parent company financial statements of The Mission Marketing Group plc for the year ended 31 December 2014 which comprise the Parent Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibilities and those of the Directors for the financial statements and the audit

As explained more fully in the Directors' Responsibilities Statement set out on page 31, the Directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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.

What an audit of financial statements involves

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of: whether the accounting policies are appropriate to the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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 parent company financial statements.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report in respect of either of these matters.

Other matter

We have reported separately on the consolidated financial statements of The Mission Marketing Group plc for the year ended 31 December 2014.

Christopher Hicks BA FCA (Senior Statutory Auditor)

For and on behalf of Francis Clark LLP, Chartered Accountants and Statutory Auditors
Sigma House, Oak View Close, Edginswell Park, Torquay, TQ2 7FF

26 March 2015

Company Balance Sheet as at 31 December 2014

	Note	As at 31 December 2014 £'000	As at 31 December 2013 £'000
NON-CURRENT ASSETS			
Intangible assets	33	31	36
Tangible assets	34	3	1
Investments	35	91,741	95,951
		91,775	95,988
CURRENT ASSETS			
Debtors	36	2,313	2,405
Cash at bank		4	3
		2,317	2,408
CREDITORS: Amounts falling due within one year	37	(16,860)	(8,099)
NET CURRENT LIABILITIES		(14,543)	(5,691)
TOTAL ASSETS LESS CURRENT LIABILITIES		77,232	90,297
CREDITORS: Amounts falling due after more than one year	38	(803)	(12,024)
NET ASSETS		76,429	78,273
CAPITAL AND RESERVES			
Called up share capital	41	8,340	7,699
Share premium account	41	42,203	40,288
Own shares	41	(260)	(462)
Share option reserve	42	264	614
Profit and loss account	42	25,882	30,134
SHAREHOLDER'S FUNDS		76,429	78,273

The financial statements were approved and authorised for issue on 26 March 2015 by the Board of Directors. They were signed on its behalf by:

Peter Fitzwilliam
Finance Director

Company registration number: 05733632

Notes to the Company Balance Sheet

32. Principal Accounting Policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice). The principal accounting policies of the Company are set out below. The policies have remained unchanged from the previous year.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Going concern

The Company's available banking facilities provide comfortable levels of headroom against the Company's projected cash flows and the Directors accordingly consider that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

Deferred taxation

Deferred taxation is recognised on all timing differences where the transactions or event that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recoverable. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by balance sheet date.

Property, plant and equipment

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful economic life, as follows:

Short leasehold property	Period of the lease
Motor vehicles	25% per annum
Fixtures, fittings and office equipment	10-33% per annum
Computer equipment	25-33% per annum

Contingent consideration payments

The terms of an acquisition may provide that the value of the purchase consideration, which may be payable in cash or shares at a future date, depends on uncertain future events such as the future performance of the acquired company. The amounts recognised in the financial statements represent a reasonable estimate at the balance sheet date of the amounts expected to be paid and has been classified in the balance sheet in accordance with the substance of the transaction. Where the agreement gives rise to an obligation that may be settled by the delivery of a variable number of shares to meet a defined monetary liability, these amounts are disclosed as debt.

Investments

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less provision for any impairment in value.

Lease commitments

Rental costs under operating leases are charged against profits as incurred.

Profit of parent company

As permitted under Section 408 of the Companies Act 2006, the profit and loss account of the Company is not presented as part of these accounts.

33. Intangible Assets

	31 December 2014 £'000	31 December 2013 £'000
Cost	**61**	61
Accumulated amortisation	**(30)**	(25)
Net book value	**31**	36

Intangible assets consist of intellectual property rights which are amortised over 10 years. The amortisation charge for the year was £6,000 (2013: £6,000).

34. Tangible Fixed Assets

	Fixtures & Fittings £'000	Office Equipment £'000	Total £'000
Cost			
At 1 January 2014	**58**	**33**	**91**
Additions	**-**	**3**	**3**
Disposals	**-**	**-**	**-**
At 31 December 2014	**58**	**36**	**94**
Depreciation			
At 1 January 2014	**58**	**32**	**90**
Charge for the year	**-**	**1**	**1**
Disposals	**-**	**-**	**-**
At 31 December 2014	**58**	**33**	**91**
Net book value at 31 December 2014	**-**	**3**	**3**
Net book value at 31 December 2013	**-**	**1**	**1**

35. Investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 January 2013	**99,151**
Additions	1,930
Adjustment to purchase consideration	(687)
At 31 December 2013	**100,394**
Additions	745
Adjustment to purchase consideration	(955)
At 31 December 2014	**100,184**
Impairment	
At 1 January 2013	**(4,443)**
Impairment	**-**
At 31 December 2013	**(4,443)**
Impairment	**(4,000)**
At 31 December 2014	**(8,443)**
Net book amount at 31 December 2014	**91,741**
Net book amount at 31 December 2013	**95,951**

A list of the principal Group companies at 31 December 2014 can be found in Note 13 to the Consolidated Financial Statements.

36. Debtors

	31 December 2014 £'000	31 December 2013 £'000
Amounts due from subsidiary undertakings	**1,631**	1,862
Corporation tax	**526**	502
Prepayments	**60**	41
Other debtors	**96**	-
	2,313	2,405

37. Creditors: Amounts Falling Due Within One Year

	31 December 2014 £'000	31 December 2013 £'000
Bank overdraft	**818**	499
Amounts due to subsidiary undertakings	**4,468**	5,237
Accruals	**256**	242
Acquisition obligations (see Note 40)	**249**	375
Bank loan (see Note 39)	**11,000**	1,714
Other creditors	**69**	32
	16,860	8,099

38. Creditors: Amounts Falling Due After More Than One Year

	31 December 2014 £'000	31 December 2013 £'000
Acquisition obligations (see Note 40)	**803**	2,451
Bank loan (see Note 39)	**-**	9,573
	803	12,024

39. Borrowings

	31 December 2014 £'000	31 December 2013 £'000
Bank loan outstanding	**11,000**	11,572
Adjustment to amortised cost	**-**	(285)
Carrying value of loan outstanding	**11,000**	11,287
The borrowings are repayable as follows:		
Less than one year	**11,000**	1,714
In one to two years	**-**	9,858
	11,000	11,572
Adjustment to amortised cost	**-**	(285)
	11,000	11,287
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(11,000)**	(1,714)
Amount due for settlement after 12 months	**-**	9,573

Details of the Company's borrowing facilities and interest rates are set out in Note 18 and not therefore repeated here. All borrowings are in sterling.

As at 31 December 2014, Net Assets of the Group were £70,384,000 (2013: £64,849,000), and net borrowings under this Group arrangement amounted to £9,451,000 (2013: £10,716,000).

40. Acquisition Obligations

The terms of an acquisition may provide that the value of the purchase consideration, which may be payable in cash or shares or other securities at a future date, depends on uncertain future events such as the future performance of the acquired company. The Directors estimate that the liability for payments that may be due are as follows:

	Cash £'000	Shares £'000	Total £'000
Less than one year	249	-	249
Between one and two years	325	40	365
In more than two years but less than three years	438	-	438
	1,012	**40**	**1,052**

41. Share Capital, Share Premium and Own shares

The movements on these items are disclosed within the consolidated statement of changes in equity within the consolidated financial statements. This year the Company's balance sheet seperately discloses own shares held of £260,000 (2013: £462,000) following a review of the Company's arrangement with the EBT which was previously included within intercompany debtors.

42. Statement of Movements on Reserves

	Share Option Reserve £'000	Profit and Loss Account £'000
At 1 January 2013	441	27,904
Credit for share option scheme	173	-
Exercise of share options	-	(218)
Profit for the period	-	2,448
At 31 December 2013	**614**	**30,134**
Credit for share option scheme	**45**	**-**
Exercise of share options	**-**	**(363)**
Settlement of warrants	**-**	**(675)**
Loan to employee benefit trust converted to capital contribution	**-**	**(912)**
Transfer from share option reserve to profit and loss account	**(395)**	**395**
Loss for the period	**-**	**(2,697)**
At 31 December 2014	**264**	**25,882**

As a result of the review referred to in Note 41, the balance of the EBT debtor of £912,000 has been treated as a capital contribution and deducted from reserves.

43. Operating Lease Commitments

As at 31 December 2014 the Company had no commitments under operating leases (2013: nil).

44. Related Party Transactions

Details of related party transactions are disclosed in Note 30 of the consolidated financial statements.

notice of annual general meeting

NOTICE is hereby given that the Annual General Meeting of The Mission Marketing Group plc (the **"Company"**) will be held at 12 noon on Monday 15 June 2015 at the offices of finnCap Limited, 60 New Broad Street, London, EC2M 1JJ to transact the following business:

The following resolutions will be proposed as ordinary resolutions:

Report and Accounts

1. To receive the financial statements and the report of the Directors and the auditors for the year ended 31 December 2014.

Dividend

2. To approve a final dividend of 0.85 pence per share for the year ended 31 December 2014 to shareholders on the register at the close of business on 10 July 2015.

Auditors

3. To re-appoint Francis Clark LLP as auditors of the Company.
4. To authorise the Directors to fix the remuneration of Francis Clark LLP.

Authority to allot shares

5. THAT the Directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the **"Act"**) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal value of £2,752,140 being 33% of the issued share capital of the Company, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, save that the Company shall be entitled to make an offer or agreement before the expiry of such authority which would or might require shares to be allotted or any such rights to be granted, after such expiry and the Directors shall be entitled to allot shares or grant any such rights pursuant to any such offer or agreement as if this authority had not expired and all unexercised authorities previously granted to the Directors to allot shares or grant any such rights be and are hereby revoked provided that the resolution shall not affect the right of the Directors to allot shares or grant any such rights in pursuance of any offer or agreement entered into prior to the date of this resolution.

The following resolutions will be proposed as special resolutions:

Authority to dis-apply pre-emption rights

6. THAT (subject to the passing of the resolution numbered 5 above) the Directors be and are hereby empowered pursuant to Section 570, Section 571 and Section 573 of the Act to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by resolution 5 above as if Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:
   i. the allotment of equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register of members at such record date(s) as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on any such record date(s), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatever; and
   ii. the allotment (other than pursuant to sub-paragraph (i) above) to any person or persons of equity securities up to an aggregate nominal value of £833,981.95 being 10% of the issued share capital of the Company.

notice of annual general meeting continued

This power shall expire upon the expiry of the general authority conferred by resolution 5 above, save that the Company shall be entitled to make an offer or agreement before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired and all unexercised authorities previously granted to the Directors to allot equity securities be and are hereby revoked provided that the resolution shall not affect the right of the Directors to allot equity securities in pursuance of any offer or agreement entered into prior to the date of this resolution.

Authority to purchase own shares

7. THAT pursuant to section 701 of the Act and subject to, and in accordance with the Company's Articles of Association, the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of the Company provided that:
   i. the maximum number of ordinary shares hereby authorised to be acquired is 12,509,729 being 15% of the issued share capital; and
   ii. the minimum price which may be paid for an ordinary share is the nominal value of such share; and
   iii. the maximum price which may be paid for an ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from The London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which such ordinary share is contracted to be purchased; and
   iv. the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company held in 2016 or 18 months from the date of this resolution (whichever is earlier); and
   v. the Company may make any purchase of its ordinary shares pursuant to a contract concluded before the authority hereby conferred expires and which will or may be executed wholly or partly after the expiry of such authority; and
   vi. all ordinary shares purchased pursuant to the authority conferred by this resolution 7 shall be cancelled immediately on completion of the purchase or held in treasury (provided that the aggregate nominal value of shares held as treasury shares shall not at any time exceed 10 per cent of the issued share capital of the Company at any time).

By Order of the Board
Peter Fitzwilliam
26 March 2015

Note to the Notice of Annual General Meeting.

A member entitled to attend and vote at the Annual General Meeting may appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote on his or her behalf. To appoint as your proxy a person other than the chairman of the meeting, insert their full name in the box on the Form of Proxy accompanying the annual report. If you sign and return the proxy form with no name inserted in the box, the chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any commitments on your behalf, you will need to appoint someone other the chairman, and give them relevant instructions directly. In order to be valid an appointment of proxy must be completed, signed and returned in hard copy form by post, by courier or by hand to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

advisors

Company Registration Number:	05733632
Registered Office:	36 Percy Street, London, W1T 2DH
Nominated Advisor and Broker:	finnCap Limited, 60 New Broad Street, London EC2M 1JJ
Auditors:	Francis Clark LLP, Sigma House, Oak View Close, Edginswell Park, Torquay TQ2 7FF
Solicitors:	Lewis Silkin LLP, 5 Chancery Lane, Clifford's Inn, London EC4A 1BL
	Blake Morgan LLP, Apex Plaza, Forbury Road, Reading RG1 1AX
Registrars:	Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA
Company Secretary:	Peter Fitzwilliam, The Mission Marketing Group plc, 36 Percy Street, London W1T 2DH
Bankers:	Royal Bank of Scotland plc, Corporate Banking, 9th Floor, 280 Bishopsgate, London EC2M 4RB

JAKEMANS® Boston ENGLAND
JONES BOOTMAKER
Kalms
KIA
Legal & General
Lucozade Sport
WE ARE MACMILLAN. CANCER SUPPORT
M&S BANK
mazda
MEDA
Medtronic
mfldirect.co.uk the source of ex-Motability cars. online. every day
MINI
MSD
ncfe.
NHS
nicox visible science
NORGE SEAFOOD FROM NORWAY
Parker
peer1 hosting a Cogeco company
PEUGEOT
POST OFFICE®
PRET
PRINCES
Pro Bono Bio®
PURESTORAGE
Quorn™
RAC
REMINGTON®
ROYAL ACADEMY OF ENGINEERING
Russell Hobbs
SAMSUNG
SCANIA
The Scottish Government Riaghaltas na h-Alba
SENSIUM HEALTHCARE
servicenow®
Shire
Shloer
smokefree SOUTH WEST
snuffle babe®
SunLife
Superdry. 極度乾燥(しなさい)
telfordhomes
TESCO taste Northern Ireland
THATCHERS EST. 1904
TRIBUTE CORNISH PALE ALE
UOB 大華銀行
VELUX®
Virgin media
vmware®
VOLVO
WÄRTSILÄ
Wincanton
WKD

the mission(tm) marketing group plc

36 Percy Street, London W1T 2DH
t: +44 (0)203 463 2099
www.themission.co.uk