Financial Services

Diversity

Technology

Bonhill

Annual Report
& Financial Statements

2019

Welcome

An introduction to Bonhill

About Bonhill

Bonhill Group plc is a leading B2B media company providing Business Information, Live Events and Data & Insight propositions to international Technology, Financial Services and Diversity Business Communities.

Our values

Passionate about our communities

We provide an informed, authoritative voice for our communities, are passionate about understanding their evolving needs and create innovative, market leading products and services that exceed expectations. We champion diversity and work collaboratively, within our organisation and across our communities, to build long term partnerships & networks to represent and reflect our values.

Continually striving for excellence

We continually strive for excellence in everything we do. We are entrepreneurial, creative and thrive on generating new innovative solutions. We set ourselves the highest standards and are dedicated to delivering the best possible results for all our stakeholders.

Creating exceptional value

We are focussed on providing exceptional value to our communities, attractive rewards for our people and long term, market leading returns for our shareholders.

Maximising the potential of our people

We value the benefits of a diverse workforce. We aim to provide the support necessary for each person to maximise their potential and play their part in an inspiring, community-centric and responsible environment, underpinned by a culture of respect, openness and fairness to all. A place that is fun to work in and that celebrates success!

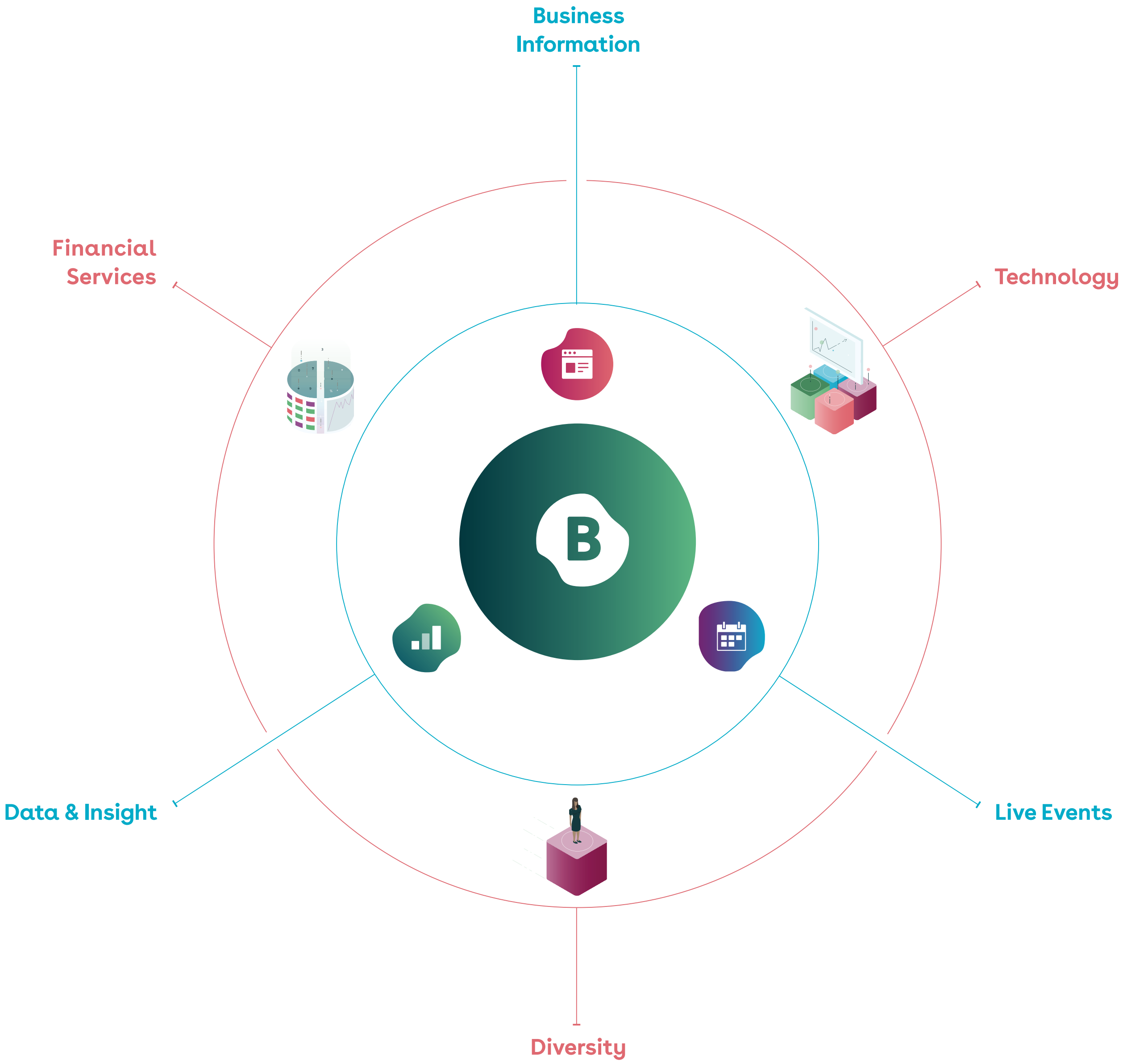

Expanding beyond the UK and into large, or fast growing, international territories
Developing high value core propositions
Building market leading brands within our chosen business communities
How we do it
With whom
Technology brands
Financial Services brands
Diversity brands
Information Age
what investment
small business.co.uk
growth business.co.uk
GCI
InvestmentNews
DiversityQ
FOR A DIVERSE & INCLUSIVE WORKPLACE
Women in IT AWARDS

Contents

At a glance

Bonhill, a digital media & events company

Bonhill is a digital media and events company specialising in enterprise technology, growth business, investment and diversity.



Bonhill

Bonhill Group plc is a leading B2B media business. Bonhill's ambition is to create content that informs, communities that engage and brands that inspire in order to enable a better business environment for our sponsors and clients.

Our core proposition

We own market leading brands which manage and connect business communities, generating revenue from our three core propositions: Data & Insight, Live Events and Business Information.

Our sectors

The Company is focused on supporting business communities in Financial Services, Diversity and Technology.

↘ Find out more on **page 14**

Our global reach

Silicon Valley
- Women in IT Silicon Valley*

Dublin
- Women in Finance Ireland*
- Women in IT Ireland*

London
- Data Awards
- Data Summit 2
- Future Stars of Tech*
- Women in Finance 2018
- Tech Leaders Summit
- Tech Leaders Awards
- Investor Allstars
- British Small Business Awards
- Festival of Small Business Conference
- Grant Thornton Quoted Company Awards
- Women in IT
- Tomorrows Tech Leaders Today
- Tech Apprenticeship Day*
- Tech in Healthcare*
- Diversity and Inclusion Summit*

New York
- Women in IT USA
- Women in IT USA Conference
- Woman in Asset Management USA*

Amsterdam
- Biocapital Europe

Singapore
- Women in IT Asia*
- Women in Asset Management Asia*

* New launches

'Women in IT'

Technology, one of the world's most vibrant and exciting industries, continues to be blighted by one disheartening issue: where are all the women?

The percentage of female IT leaders remains at only 9% globally and in response to these kind of startling statistics the 'Women In IT' series was created. Since its launch in 2015, 'Women In IT' has grown globally with the event being held in London, New York, Dublin and Silicon Valley and is now considered the world's largest tech diversity event.

The London event, held in January 2019, saw over 1,150 business and technology leaders come together to celebrate the achievements of women working in technology in conjunction with headline sponsors Amazon Web Services. Other premium sponsors included Net-a-Porter Group, Rolls-Royce and The Economist. The keynote was delivered by Tracey Neville MBE, the England team coach for the 2018 Commonwealth Games which won gold in 2018.

This was the 4th iteration of the 'Women In IT' London and apart from the evenings prestigious award ceremony, 2019 saw the event expand to a mentoring programme between local school children and award nominees.

Chairman's statement

Good governance supports strategic delivery

As we have grown, we have looked at every part of the business and have made significant changes to strengthen our people, advisory network, digital capability and business support functions.

Neil Sachdev
Chairman

Financial highlights

Revenue
Revenue of £8.0m (year ended 31 March 2018: £2.6m)

InvestmentNews
InvestmentNews contributed £6.0m of revenue in the four and a half months since its acquisition

Adjusted EBITDA
Adjusted EBITDA* of £0.9m (year ended 31 March 2018: £0.4m loss)

Net assets
Net assets of £22.9m (31 March 2018: £2.0m)

Balance sheet
Further strengthening of the balance sheet with £4.4m in cash at 31 December 2018 (31 March 2018: £1.0m)

First dividend
Process commenced to enable payment of a first dividend in respect of the six months ending 30 June 2019

* Adjusted EBITDA excludes adjusting items, acquisition costs and amortisation of intangible assets through business combinations

The nine months ended 31 December 2018 was a period of transformation and wholesale change at Bonhill which culminated in the Group reporting a first adjusted profit.

In August 2018, the Company completed the reverse takeover of US based InvestmentNews. This 20-year-old market leading brand was the Group's first acquisition and, in line with our strategy, added a high quality, high margin, cash generative business. The transaction was funded by an equity fundraising of £19.2m and the provision of a vendor loan of £4.7m. The equity issue brought a new, broader group of institutional shareholders, to support the Board and the Group's strategy in building a global B2B business focused on the Financial Services, Technology and Diversity sectors. InvestmentNews had a strong 2018 and delivered a record operating performance in the year with revenue up 14%. on the prior year. Under the Group's ownership, we see enormous potential for expanding its events and data propositions as well as growing its business information portfolio.

We have continued to build our other brands and our diversity franchise. The ever-expanding 'Women in...' series was successfully launched during the year in two new important locations, Dublin and San Francisco. There is enormous potential for this global franchise. DiversityQ, which is aimed at professionals and business leaders to provide content and analysis to enhance, develop and promote workforce diversity and inclusion, was also launched in summer 2018 and complements our other diversity initiatives.

Given the increasing significance of the 'Women in...' series, Niki Dowdall has decided to step-down from the Board with immediate effect, to focus full-time on developing this key franchise. I would like to thank her for her commitment to Bonhill, steering the business through some difficult times. Niki has led the development of the 'Women in...' franchise from its inception and, in this new role, will continue to make a valuable contribution to Bonhill into the future.

As we have grown, we have looked at every part of the business and have made significant changes to strengthen our people, advisory network, digital capability and business support functions. As the business grows, we continue to ensure that we have the highest calibre of people in the right roles and are focused on attracting and retaining the best talent we can. I would like to thank all of our team for their hard work during a period of such change.

Our corporate structure has been significantly strengthened following the acquisition of InvestmentNews, from policies and procedures through to financial processes.

We continue to build our leadership capability and senior leadership team, and coupled with some planned hires, we are well placed to capitalise on the growth potential from the InvestmentNews' acquisition and have the requisite skills to continue to grow the Group organically and by acquisition. Our corporate structure has been significantly strengthened following the acquisition of InvestmentNews, from policies and procedures through to financial processes. This strengthening provides the foundations for the smooth integration of further acquisitions. We have also recently adopted the QCA Code and are committed to the highest standards of governance.

The period also saw a name change, an office relocation, a change of year end to align ourselves with InvestmentNews', but also to better manage our accounting periods with our events calendar, and a 40:1 share consolidation. We have commenced the court process to enable us to pay a dividend, the first being an interim dividend this year.

At the period end, the Company had £4.4m of cash, a strong profitable operating business, a robust infrastructure and an ambitious team keen to build a business of scale in our chosen areas. With the support of our shareholders, and the energetic input from our talented team, I look forward to delivering on the opportunities available to the Group.

We are delighted to announce separately the proposed acquisition of Last Word Media. This represents a tremendous strategic fit with our existing Financial Services offering and our combined entities will offer a truly global marketing solution for our asset management clients. I look forward to welcoming the founders and team to our business.

Neil Sachdev
Non-executive Chairman
22 March 2019

Impact investing with purpose

Over the course of the past 20 years, impact investing has grown from a cottage industry to a $9trn movement.

InvestmentNews, in partnership with the United Nations debuted a documentary on September 11th at the global organisation's 2018 Sustainable Investing Conference. The short film follows entrepreneurs and investors – from Haiti to North Carolina – who are leveraging an impact investing focus to make a difference in the world.

Why?

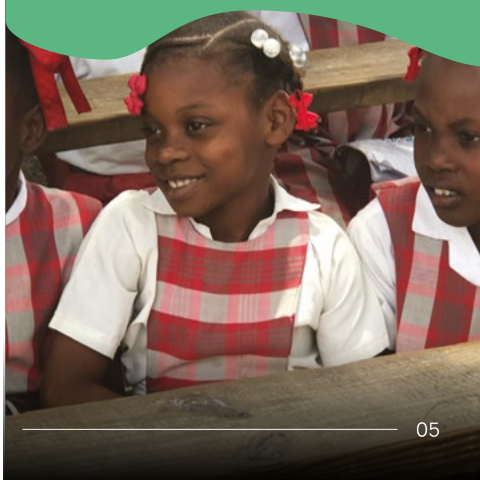
Financial advisers are increasingly finding clients expressing an interest in impact investing, particularly the millennial generation set to inherit trillions of dollars in wealth. An InvestmentNews survey of advisers rated 25% of their millennial clients as either "very interested" or "extremely interested" in impact investing.

With advisers looking for ways to learn more about the investing sector and engaging clients on these topics, InvestmentNews collaborated with Steve Distante, CEO, Vanderbilt Financial Group, to put together a teaching tool that inspires and educates.

Viewers hear from UN officials, thought-leaders and entrepreneurs like George Taylor, CEO, TRU Colors Brewing Co. who built a brewery that only hires active gang member in an effort to combat violence. They also hear from David Katz, CEO, Plastic Bank, about his business that turns plastic waste into currency in Haiti.

"It became about not just telling the story but showing the story," said Matt Ackermann, Director of Multimedia, InvestmentNews. "Telling people there's a problem in the world is one thing, but seeing those beaches in Haiti with the garbage on it really opens your eyes to some of the problems in the world that impact investing can help solve."

To learn more about this documentary, go to **investmentnews.com/impactfilm**



Business model and strategy

How our brands support our business

The Group is becoming a leading international B2B media company with a clear business strategy that focuses on growing the quality and range of our core propositions within our business communities, expanding our international footprint and innovating and invigorating our existing brands and operations.

Our strategy

Our corporate strategy is to transition to long-term, "must have", recurring revenue streams through building market leading brands within its chosen business communities of Technology, Financial Services and Diversity, developing high value propositions, and expanding beyond the UK and into large, or fast growing, international territories.

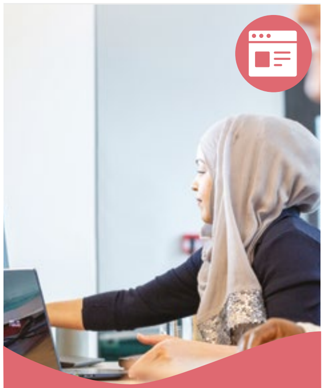
Building market leading brands within our chosen Business Communities

Developing high value Core Propositions

Expanding beyond the UK and into large, or fast growing, international territories

What we do

Our brands support our business communities through the provision of three inter-connected and complementary core propositions.



Business Information

Live Events

Data & Insight

Our brands

Highly respected in the communities they represent, these brands are the foundation of our business and reflect our passion for quality content across multiple platforms, including digital, live events, social media, video and print.

Tech Leaders Summit

Data Leadership Summit

Information Age

Technology brands

InvestmentNews

whatinvestment.co.uk

smallbusiness.co.uk

growthbusiness.co.uk

GCI Growth Company Investor

Financial Services brands

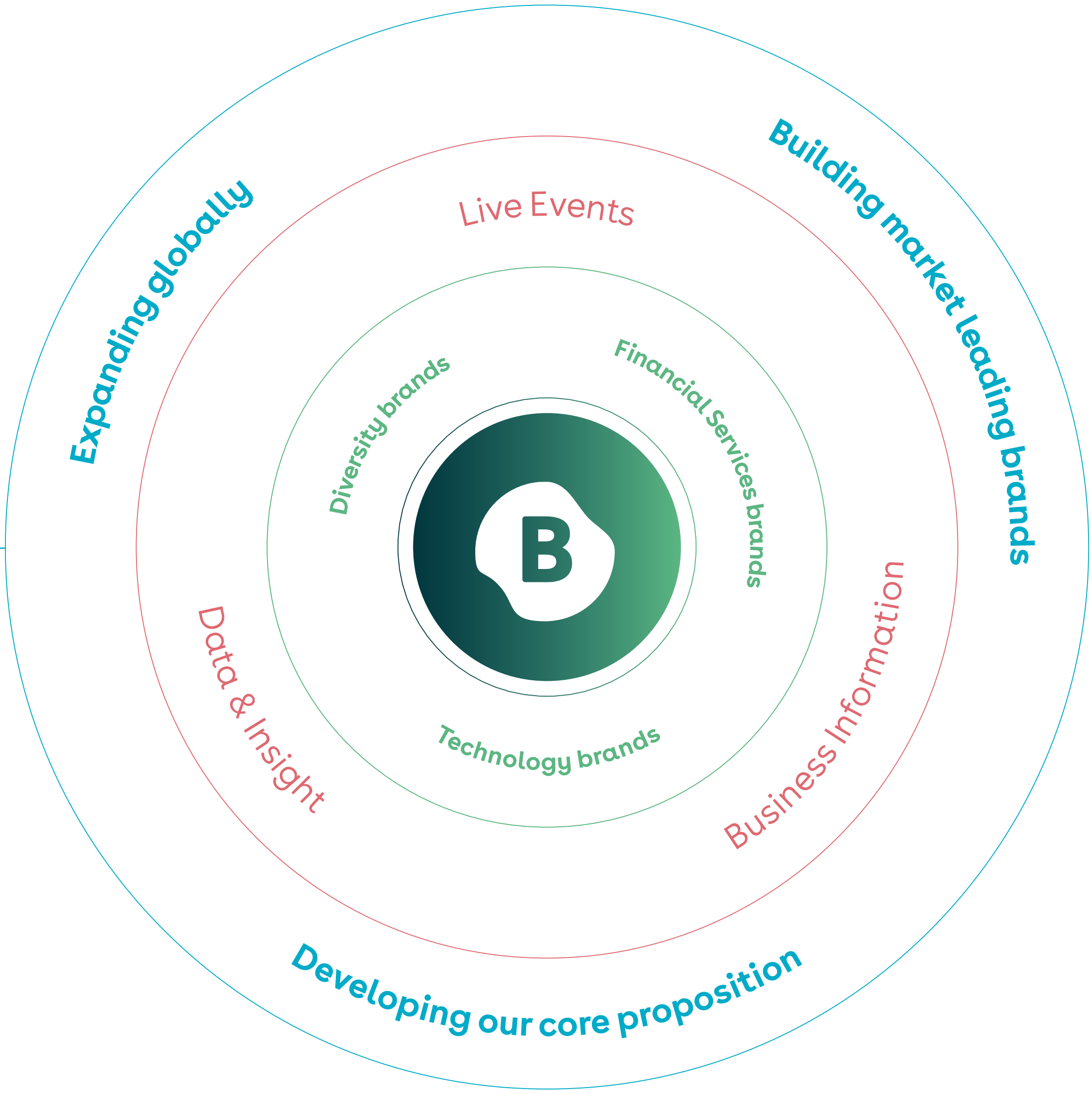
Future Stars of Tech

Women in Finance Awards Series

DiversityQ For a diverse & inclusive workplace

2018 Women in IT Awards

Diversity brands



What we achieved

- Development of a transformative new growth strategy by our experienced and ambitious executive management team
- A cornerstone business in the US has been acquired and assimilated providing the Group with a market leading position in the US asset management and financial advisor community
- Investment in a new end-to-end technology platform to form the centre of our business strategy – planning has been completed and implementation is underway
- Rapid growth in the Group's Diversity franchises together with the recently launched DiversityQ website, creating an integrated multi-proposition Diversity business
- Expansion of 'Women in...' series overseas as part of overall events portfolio growth
- Improved audience engagement through hiring of experience new people and enhanced digital analytics

Strategy in action

Acquisition of InvestmentNews

The acquisition of InvestmentNews was completed on 17 August 2018. InvestmentNews is the market-leading brand directing communication between global asset managers and the wider financial adviser community in the United States.

InvestmentNews

For over 20 years, InvestmentNews has been the number one information source providing breaking news, relevant business information, data insights and educational events to the financial advice industry.

Financial advisers – and the asset managers, broker-dealers, custodians, insurance companies and regulators who serve them – rely on our standard of editorial excellence and deep industry knowledge to provide business intelligence that helps the industry learn, advise their clients and grow their businesses.

Our award-winning weekly as well as daily coverage, events and research addresses industry challenges and identifies growing trends in market fluctuations, impact investing, regulatory changes, practice management, financial planning, diversity and inclusion. We continually strive to create content that engages and resonates with our audience, sponsors and colleagues.

Expand globally

Headquarters in New York with offices in Chicago and Washington D.C.

Developing our core proposition

A weekly publication and daily newsletters are distributed. Runs 11 industry live events ranging across conferences, summits, workshops, think tanks and awards. Offers a suite of benchmarking studies along with other data products.

Building market leading brands

Since 1998, InvestmentNews has educated, informed and engaged the most influential financial advisers and the asset managers, corporations and organisations supporting them.

Strategy in action cont.

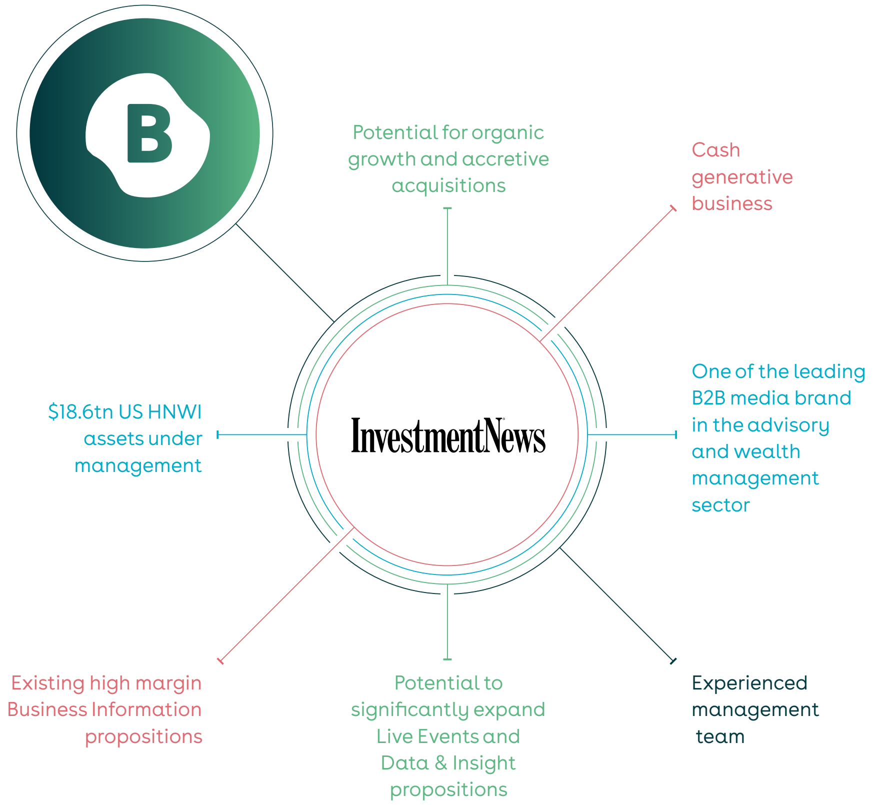
Bonhill & InvestmentNews

The acquisition is a transformational milestone for the Company and provides Bonhill with a strong financial and operational base from which to execute our growth strategy and to shape Bonhill into a leading media, data and events provider.

We are discovering that the opportunities InvestmentNews affords us are even greater than we first thought. It has a number of positive effects, not least of all its revenue, profit and cash generation which provide a proper platform for us to continue our plans. The scale, nature and reach of our operations, the quality of the business we now undertake and the people we employ are transformed from the same period last year.

Simon Stilwell
Chief Executive

Reasons for the acquisition



Acquisition of InvestmentNews: a growth opportunity

Digital
Leveraging new technology to improve audience targeting, increase advertising ROI and continue to grow custom activities with the asset manager and insurance community - supported by newly hired Head of Digital.

Live events
Applying Bonhill's extensive live events expertise to increase the quality, quantity and scale of InvestmentNews' events portfolio generating significantly greater revenues and higher margins - number of events increased from 11 in FY17 to 17 in FY18.

Data & insight
Increasing InvestmentNews' community insight and intelligence to improve and develop the business' existing, and launch new, Data & Insight propositions that should generate higher margin, recurring revenues - frequency of existing events increased, new products identified.

Global brands
Increasing focus on multi-year, cross-proposition and cross-border revenue opportunities from major global asset managers and other major international brands.

US platform
Provides the Company with a platform to expand its Diversity business, a base to launch new Business Information, Live Events and Data & Insight propositions and for further 'bolt-on' acquisitions in the US.

Cost saving
Generating potential savings from InvestmentNews' print publishing cost base; allocating central overheads, including group management team and central support services, across the enlarged group.

Q&A with Suzanne Siracuse

Suzanne Siracuse is the CEO and Publisher of InvestmentNews. She has been with the brand since the beginning, rising from Advertising Sales Director to Associate Publisher before being named publisher in 2006. She is a highly regarded figure in the financial advice industry, a champion of increasing the role of female leaders and improving diversity and inclusion.

InvestmentNews is proud to be the source the financial advice industry goes to first for information. Quality content on important and timely topics is the foundation of our relationship with our audience.

Suzanne Siracuse
CEO and Publisher,
InvestmentNews

→ Tell us about InvestmentNews

← InvestmentNews is the leading information source for the financial advice industry. But more than that, we are a collaborative, innovative team committed to providing business intelligence, with intelligence.

→ How has becoming part of Bonhill impacted InvestmentNews?

← We have always been an organisation of big ideas and so is Bonhill. Our values and philosophy directly align so the speed at which we've been able to start to execute on those ideas – from editorial and events to investing in technology and our people – has been exciting and gratifying.

→ What is the secret to the success of InvestmentNews?

← Our commitment and our relationship with our audience. If there is one common thread that runs through each of us, it's that we fiercely protect and nurture our relationship with our readers, attendees and customers. Providing them with coverage, data and results they can count on is at the core of what we do each and every day.

→ What opportunities does this acquisition present?

← The investment in technology and our people is giving us the ability to scale our business so we can reach more of our audience and engage them on a deeper, more personal level. As we get to know even more about them we will be able to help our advertisers and partners communicate with them on a deeper level as well.

→ What are the key trends affecting your market at the moment?

← In our industry, the one constant is that the markets are always changing. While market performance will always be important, we are finding that firms and advisers now have an appetite for information and events on topics like diversity and inclusion, financial literacy, impact investing, technology and workplace culture.

→ How are you positioned to take advantage of these opportunities?

← We are a nimble team and we move quick on new ideas and areas for growth. We are incorporating or, in many cases, building entire events around these topics which are also woven into our editorial coverage and research projects. As a result, we will be able to engage our audience holistically and offer our advertising partners the opportunity to align their brands with these trends as well. It's an exciting time and we are looking forward this next chapter.

Chief Executive's review

Strong leadership

The business now has better people, processes, structure and a new strategy from which to grow in a market abound with opportunities. We are confident that, underpinned by investment into the robust core business, we are in a strong position to drive growth and deliver returns for our shareholders over the coming years.

InvestmentNews has been integrated well into the Group and is performing well, showing that our acquisition strategy is working. There are clearly major opportunities to develop the brand further which we will do in the years ahead. We will look to replicate this success in our other target sectors and will seek to develop them in 2019 and beyond. We will continue to invest across the business and look forward to another year of growth and development with confidence.

Simon Stilwell
Chief Executive

Operational highlights

New acquisition
Completed transformational acquisition of 20 year old market leading US brand, InvestmentNews, in August 2018

Equity fund
Equity fundraising of £19.2m to fund the acquisition of InvestmentNews, broaden the institutional shareholder base and invest in the Company's infrastructure and technology platform

New Head of Digital
A new Head of Digital recruited to oversee growth of the InvestmentNews Digital division

'Women in' series expansion
Expansion of 'Women in...' series to two new locations, Dublin and San Francisco, and the London event held in early 2019 attracted a record 1,150 attendees

DiversityQ launch
Launch of 'DiversityQ' in summer 2018

Introduction

It has been an extremely busy and particularly rewarding nine month reporting period. It was a period of great change which has seen the business grow both organically as well as through acquisition and, during that process, almost every aspect of the business has been assessed and, where appropriate, adapted and enhanced. We have made terrific progress, but there is still much to be done and there are opportunities aplenty. Bonhill ended the period barely recognisable from the one that started it in April 2018. When I took over as the Company's Chief Executive in August 2017, I saw great potential for the business and I am pleased that we are finally starting to realise that. In the interim, we have refreshed the Board and the management team, embarked on a new strategy and, as a result, we now have a profitable, cash generative underlying business many times bigger than the original company, and with significant growth potential.

One of my key objectives on taking over the role was to make the business profitable and we have achieved that on an adjusted basis. The next step is to enhance the scale, nature, geographic reach, revenue and margin of the Group and I believe that we have the platform, support and resources to do so.

Financial information

For the nine months ended 31 December 2018, we reported revenues of £8.0m (year ended 31 March 2018: £2.6m) and adjusted EBITDA of £0.9m (year ended 31 March 2018: £0.4m loss). This is partly as a result of the acquisition of InvestmentNews in mid-August 2018, which contributed £6.0m of revenue for the Group in the four and a half months, but also through the growth of the Company's existing UK portfolio. The period under review is the nine months from 1 April 2018 to 31 December 2018 as the year end was changed to coincide with InvestmentNews', but also to better accommodate our events calendar. We ended the period with £4.4m of cash (31 March 2018: £1.0m) which is approximately twice the Company's market capitalisation when I was appointed Chief Executive and we have started the process to enable the payment of a first interim dividend later this year.

Strategic review

We have refined our strategy to focus on the provision of Business Information, Live Events and Data & Insight in our three chosen sectors and with a growing geographic reach. We aspire to build, manage and own market leading brands with 'must have' products, that provide greater financial visibility via recurring revenue streams and strong cash generation. We operate in three clearly defined global business sectors: Technology; Financial Services; and Diversity, all of which are growing, constantly evolving and are extremely complementary.

Acquisition of InvestmentNews

In mid-August 2018, we completed the acquisition of InvestmentNews, a 20 year old US title that is the market leading provider of news and information to the growing US financial advisory community. It is a key partner for both advisers and asset managers. It had a clear strategic fit as it was already providing business information, live events and data. It is our ambition to invest in the business to further develop the events and data propositions, which we believe had been under exploited previously. We are delighted that the business has delivered a record year, despite the distraction of the transaction, and in our period of ownership we have identified a wealth of opportunities. The US location provides an important base for us to continue our strategic goals. InvestmentNews sits strategically between the key constituents of the large US professional investment market, an industry that is constantly undergoing change through regulation, acquisition, product launches, changing demographics, evolving technology and the changing role of advice. This complex and dynamic environment provides a strong backdrop for InvestmentNews' services. We are delighted that all of the core team have stayed with us post-acquisition and are working hard together to explore and exploit new opportunities and enhance the future mix of the business.

We have recently recruited a new Head of Digital, who will oversee the largest part of the business. We have already expanded the Group's events portfolio, best evidenced by the growth in the 'Women Adviser' summit series from four in 2018, to six planned for 2019 and an expanded events team will help continue the growth in all events activities.

With a new Head of Digital and an improved technology platform, we are currently looking at how to augment InvestmentNews' data products with our own data sources and third party suppliers. Custom research products are growing extremely well and will be a big feature in 2019 and beyond. There is a new energy in the InvestmentNews brand and a renewed purpose, all of which bodes well. We take great comfort from the references and dialogue we have had with major customers and clients post-acquisition, which we were unable to do beforehand.

People

Bonhill in the UK has seen enormous 80% turnover in its staff over the last 12 months.

This would ordinarily be a warning sign of a poor corporate culture or some other underlying problem. It has in fact been part of an enormous change programme that has seen all parts and roles of the business examined and assessed and change made where appropriate. Our content and business activities are a direct reflection of the quality of our people and as we bring in greater talent so our offering improves. We continually aspire to be a better more vibrant, stimulating and informative place to work. A place that attracts the top talent and people that wish to grow with our own ambitious plans.

In the US with InvestmentNews we have shifted the focus on recruitment to appeal to a wider more digital savvy group. This has given much of the responsibility to a younger more digitally native cohort that better represent the brand. This strategy has brought in the right talent to help shift the emphasis of the business from a publishing first mentality to a more modern information and data provider. As the wider business grows we offer a culturally rich working environment in a growing range of geographies.

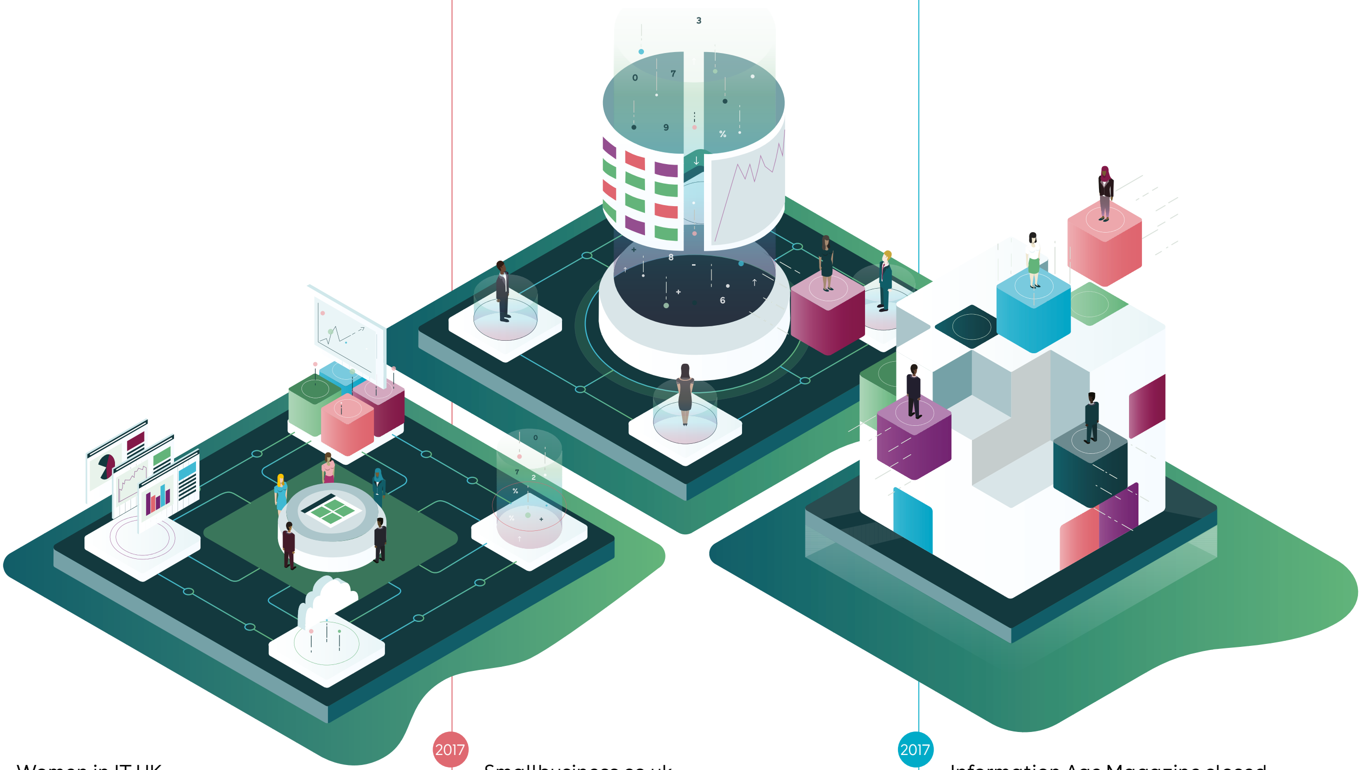
Chief Executive's review cont.

Our sectors

Technology

Financial Services

Diversity



Technology

2017
- Women in IT UK
- Tomorrow's Leaders

2018
- Women in IT UK
- Women in IT USA
- Tomorrow's Leaders

2019
- Women in IT UK
- Women in IT USA (NYC)
- Women in IT USA (SV)
- Women in IT Asia
- Women in IT Ireland
- Tomorrow's Leaders
- Future Stars of Tech
- Tech Apprentices Day
- DiversityQ.com

- The global technology sector is forecast to be worth \$3trn in 2018[1]
- Revenues of UK digital tech businesses exceeded £170bn in 2017[2]
- The sector is subject to rapid change with key trends in 2018 including AI, blockchain and immersive technology (AR/VR) information-age.com re-launched

1. Forrester Research October 2017
2. Tech City UK 2017

Financial Services

2017
- Smallbusiness.co.uk
- British Small Business Awards
- TaxGuide.co.uk

2018
- Smallbusiness.co.uk
- British Small Business Awards
- Small Business Grants launched
- TaxGuide.co.uk

2019
- Smallbusiness.co.uk
- British Small Business Awards
- Small Business Grants
- British Small Business Showcase to be launched
- TaxGuide.co.uk

- The global financial services sector was estimated to be worth c.\$11trn[3]
- The UK Government estimated that the financial and insurance services sector contributed £124.2bn in gross value added to the UK economy in 2016
- The industry is facing a number of challenges, including mobile payments, changes in compliance regulations and cyber security

3. McKinsey Global Institute 2011

Diversity

2017
- Information Age Magazine closed
- Information-age.com
- Data Leadership Summit
- Data Leadership Awards launched
- Tech Leaders Summit launched
- British Small Business Awards launched

2018
- Information-age.com
- Data Leadership Summit
- Data Leader Awards Tech Leaders Summit
- Data Leader Awards launched

2019
- Data Leadership Summit
- Data Leader Awards
- Tech Leaders Summit
- Data Leader Awards
- Information-age.com

- Diversity in the workplace, ranging across gender, physical abilities, race, ethnicity, sexual orientation, age and socio-demographic issues, has become a significant focus for the UK Government, the business community and the general public
- Businesses are increasingly addressing the Diversity agenda following a number of high profile events, including female Board under-representation and UK gender pay gap reporting

'Women in' series

I am delighted that we have continued to see growth in our 'Women in...' series. We have had successful launches in Dublin and San Francisco and the London event in early 2019 reached a record level of attendance at 1,150. Women in Finance has also seen good growth and 2019 will see the development of this global franchise in another three cities. There is still much to be done to address gender diversity, especially in the finance and technology industries, and the scope of our activities, including our DiversityQ brand, will increase in 2019.

UK assets

After another quiet year for our UK assets, we finally have these titles under control and, with some new leadership and clearer assessment of our audience needs, we are starting to make progress. I am optimistic for the future potential in this area.

During the period, we have also refreshed our financial services titles, which include InvestmentNews, What Investment and Growth Company Investor. What Investment has had an editorial change and a rebranding that has seen a marked improvement in readership and better advertising returns. It is encouraging to see the response to our efforts in reinvigorating the product from its loyal subscription base.

As well as our titles, we also have awards that support the community. In particular, the Grant Thornton Quoted Company Awards, which focuses on the people behind the businesses in the quoted company arena, continues to do well and its 20th anniversary event, which was held in February 2019, was another great success.

Data

We have talked previously of our ambition to build a much stronger data business out of our titles. While this is a longer term ambition, we have recently strengthened our team and the investment in technology we have made will soon start to produce benefits from data driven decisions and improved data sales and opportunities.

We are looking to recruit a new Head of Products to drive our strategy in this area. Data should be the foundation for our business decisions and we have already seen the benefit of its use in the targeted roll out of our growing events portfolio. The impact will be modest in 2019, but we should start to see a much bigger contribution in 2020.

Personnel

In May 2018, we announced the appointment of David Brown as Group Finance Director. David brings a wealth of complementary experience to the new and refreshed management team. He has proven execution capability in acquisitions, understands the plc environment and we are very pleased to have appointed somebody of his calibre.

We have undertaken a fairly radical change in our people resulting in an abnormally high level of staff turnover during the period. I think this is entirely appropriate given the change in pace and ambition of the Company and, now with a much more interesting product set and business momentum, I expect that we will continue to attract fresh talent that can have a material impact on our business areas. We are working hard to improve our culture and inter-company communications.

As part of the equity fundraising in 2018, and in conjunction with the acquisition of InvestmentNews, we took the opportunity to reassess every policy, procedure and process within the business. It was an important milestone in the Company's history and offered an opportunity for us to examine and evolve both our internal and external processes. We always strive for best practice and believe that we have now built a solid foundation in order to uphold the highest standards of governance and process in every aspect of our business. With these foundations in place, we believe that we are well placed to embark on the rest of our growth plans.

We remain attracted by the long term prospects of the wider B2B arena. As we continue to evolve the business, we have learnt more about our customer needs and this has highlighted the potential to build a global solutions provider in our chosen areas. Our sectors are rapidly evolving and there is a constant need for information and insight to help manage this change. We remain convinced that with high quality, content led solutions across information, events and data, we will continue to be a valued and effective partner. Our culture is to constantly review and ensure that we are meeting our clients' needs and providing the highest levels of service. In the diversity segment, where best practice has yet to be established globally, we are helping to highlight and define what a diverse workforce and inclusive workplace can mean for an organisation.

Technology

We raised additional VCT and EIS funds as part of the equity fundraising in the summer to invest in the Company's infrastructure and technology platform. By the period end, we had completed our technology choices and 2019 has seen the implementation phase start in earnest. Much of the work will be undertaken during the course of this year, but what we expect to emerge is an excellent platform for us to communicate with our audiences, undertake greater analysis of our business and deliver better solutions for our clients. This technology refresh was much needed for both the existing business and InvestmentNews and we are already starting to see what the initial benefits of the work will be.

Acquisition strategy

We continue to assess further acquisition opportunities to complement our growth strategy and are continually assessing potential opportunities that we believe will meet our strategic criteria. Areas of interest for us and potential targets must have the following characteristics: market leading; high degree of visible revenue; and alignment with our existing sectors. There is plenty of activity in our target sectors, but we will remain disciplined and maintain our strict criteria.

We are delighted to announce separately today the proposed acquisition of Last Word Media, a key media partner to the asset management industry. It has strong alignment with our existing financial services brand and brings greater geographic coverage, high quality people and a strong events portfolio to our business. We believe there is good growth in the existing business and the opportunity to develop their products into the US.

Outlook

The business now has better people, processes, structure and a new strategy from which to grow in a market abound with opportunities. We are confident that, underpinned by investment into the robust core business, we are in a strong position to drive growth and deliver returns for our shareholders over the coming years.

InvestmentNews has been integrated into the Group and is performing well, showing that our acquisition strategy is working. There are clearly major opportunities to develop the brand further which we will do in the years ahead. We will look to replicate this success in our other target sectors and will seek to develop them in 2019 and beyond. We will continue to invest across the business and look forward to another year of growth and development with confidence.

Simon Stilwell
Chief Executive
22 March 2019

Group Finance Director's review

Continued investment

Given the strong performance of InvestmentNews, we have taken the opportunity to accelerate our investment plans to grow our sales, marketing and support functions to enable continued growth in 2019 and beyond.

David Brown
Group Finance Director

Key performance indicators

£8.0m

Revenue
9 months 31 December 2018

(12 months 31 March 2018: £2.6m)
(12 months 31 March 2017: £2.7m)

£0.9m

EBITDA*
9 months 31 December 2018

(12 months 31 March 2018: £(0.4)m)
(12 months 31 March 2017: £0.0m)

£0.7m

EBIT*
9 months 31 December 2018

(12 months 31 March 2018: £(0.4)m)
(12 months 31 March 2017: £(0.1)m)

2.69p

EPS*
9 months 31 December 2018

(12 months 31 March 2018: £(12.29)p)
(12 months 31 March 2017: £(5.98)p)

£(0.8)m

Free cash flow - outflow
9 months 31 December 2018

(12 months 31 March 2018: £(0.9)m)
(12 months 31 March 2017: £(0.2)m)

£22.9m

Net assets
9 months 31 December 2018

(12 months 31 March 2018: £(0.2)m)
(12 months 31 March 2017: £(1.0)m)

* Adjusted figures excludes adjusting items, acquisition costs and amortisation of intangible assets through business combinations

Income statement

Adjusted results are prepared to provide a more comparable indication of the Group's core business performance by removing the impact of certain items including exceptional items (material and non-recurring), and other separately reported items. Adjusted results exclude adjusting items as set out in the statement of consolidated income and below, with further details given in Notes 5 and 6 of the financial statements. In addition, the Group also measures and presents performance in relation to various other non-GAAP measures, such as underlying revenue growth, adjusted cash flow, adjusted EBITDA and net assets. Adjusted results are not intended to replace statutory results. These have been presented to provide users with additional information and analysis of the Group's performance, consistent with how the Board monitors results. Further rationale for each of the adjusting items used in these measures, as well as reconciliations to their statutory equivalents, can be found in Note 6 to the financial statements.

InvestmentNews generated £6.0m of revenue in the four and a half months since it was acquired on 17 August 2018. InvestmentNews delivered record revenue of $19.2m for the calendar year 2018, which is 14% ahead of the preceding year. All of its business units (print, digital and live events) increased their revenues on the prior year and the business had a strong finish to the year with revenues in the final quarter up 10% on the prior year period.

The UK based Events business generated total sales of £1.5m which is double the sales compared to the same 9 month period last year (unaudited). Sales of like-for-like events rose by 21%.

UK Media sales saw improved performance in the final quarter with sales consistent with those in the corresponding period in the previous year. The recent restructuring of this part of the business gives us greater confidence in its future growth prospects. Overall, UK media sales in the period were £0.5m.

InvestmentNews delivered record revenue of $19.2m for the calendar year 2018, which is 14% ahead of the preceding year.

Adjusted earnings before interest, depreciation and amortisation ("EBITDA") is a measure of earnings and cash generative capacity. A reconciliation of adjusted EBITDA to statutory earnings is set out in Note 6. An adjusted EBITDA gain of £0.889m (31 March 2018: £0.393m loss) was comprised of a £1.6m contribution from InvestmentNews and a £0.7m loss from the UK business which carries the central overheads for the Group.

Adjusting items comprised £1.932m (31 March 2018: £0.082m) of acquisition related costs, £0.252m of integration costs (31 March 2018: £nil) and £0.456m (31 March 2018: £0.431m) relating to amortisation or write off of intangible assets acquired, together with tax relief on these items of £0.280m.

On an adjusted basis, the retained profit was £0.520m (31 March 2018: loss of £0.445m), equivalent to 2.69p per share (31 March 2018: 12.29p loss per share). The statutory loss for the period was £1.840m (31 March 2018: £0.971m), equivalent to 9.51p per share (31 March 2018: 26.79p per share).

Income statement

£2.69p

Adjusted profit/(loss) per share
(March 2018: (£12.29p))

£7.991m

Revenue
(March 2018: £2.606m)

	31 Dec 2018 9 months £'000	31 Mar 2018 12 months £'000
Revenue	7,991	2,606
Adjusted EBITDA profit/(loss)	889	(393)
Depreciation / amortisation of internally generated intangibles	(155)	(45)
Share option charge	(68)	–
Adjusted operating profit/(loss)	666	(438)
Finance costs	(146)	(7)
Adjusted profit/(loss) before tax	520	(445)
Adjusted tax	–	–
Adjusted profit/(loss)	520	(445)
Adjusting items	(2,360)	(526)
Statutory loss	(1,840)	(971)
Adjusted profit/(loss) per share	**2.69p**	**(12.29)p**
Statutory loss per share	**(9.51)p**	**(26.79)p**

Group Finance Director's review cont.

Cash flow

Working capital showed an outflow due to the timing of the acquisition of InvestmentNews, though this has been offset by reduced consideration for the acquisition.

Net of £1.3m of costs, £19.2m of share placing proceeds were raised in the period (31 March 2018: £2.0m), of which £12.9m was used as part consideration to acquire InvestmentNews, and £1.8m paid out relating to acquisition costs, leading to a net cash inflow of £3.363m (31 March 2018: £0.888m).

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chairman's Statement and the Chief Executive's Review.

Cash flow

£3.363m

Net cash inflow

(March 2018: £0.888m)

	31 Dec 2018 9 months £'000	31 Mar 2018 12 months £'000
Adjusted EBITDA	889	(393)
Working capital movement	(1,290)	(464)
Interest paid	(267)	(7)
Foreign exchange gains or losses	8	–
Purchases of property, plant and equipment and intangible assets	(134)	(40)
Free cash (outflow)/inflow	**(794)**	**(904)**
Acquisition of InvestmentNews	(12,867)	–
Acquisition costs	(1,774)	(82)
Proceeds from issue of ordinary shares	19,247	2,021
Repayment of borrowings	(449)	(147)
Net cash inflow	**3,363**	**888**

Balance sheet

At 31 December 2018, the business had a healthy cash balance of £4.367m (31 March 2018: £1.004m).

The acquisition of InvestmentNews was, in part, financed by a vendor loan of £4.720m, which had been reduced to £4.323m by the balance sheet date. The loan is repayable in equal monthly instalments until 31 August 2021.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chairman's Statement and the Chief Executive's Review.

The Directors regularly review detailed forecasts of sales, costs and cash flows, and regularly project forwards 12 months ahead or more. The assumptions underlying the budget are challenged, varied and tested to establish the likelihood of a range of possible outcomes, including reasonable cash flow sensitivities. The expected figures are carefully monitored against actual outcomes each month and variances are highlighted and discussed at Board level.

The Directors have reviewed cash flow forecasts for the period to 31 December 2020 and considered cash flow requirements during that period for the purposes of approving these financial statements. In preparing these forecasts, they have not taken into account the proposed acquisition of Last Word Media.

The cash flow forecasts demonstrate that the Group will be able to pay its debts as they fall due for the period to at least 31 December 2020. In the event that sales did not hit the projected levels, management is able to adjust overhead levels to relieve any short-term cash pressures which may arise.

The Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

Current trading

Sales for the first two months of the year are in line with market expectations. We have started to see the planned change in mix from the more traditional business information towards live events and custom projects. Since the period end, the Group's flagship event, Women in IT London, which was held on 30 January 2019, delivered sales 37%. ahead of those for last year's event and we are excited about the potential for this global franchise.

David Brown
Group Finance Director
22 March 2019

Balance sheet

£22.926m

Net assets

(March 2018: £1.963m)

	Dec 2018 £'000	March 2018 £'000
Intangibles	23,416	(1,127)
Tangible fixed assets	125	35
Working capital	1,554	(203)
Lease asset	968	–
Lease liability	(1,018)	–
Deferred and current tax	(2,163)	–
Cash	4,367	1,004
Debt	(4,323)	–
Net assets	**22,926**	**1,963**

Principal risks and uncertainties

Managing risk responsibly

The Board sets out below the principal risks and uncertainties that the Directors consider could impact the business. The Board continually reviews the potentials risks facing the Group and the controls in place to mitigate any potential adverse impacts. The Board also recognises that the nature and scope of risks can change and that there may be other risks to which the Group is exposed and so the list is not intended to be exhaustive.

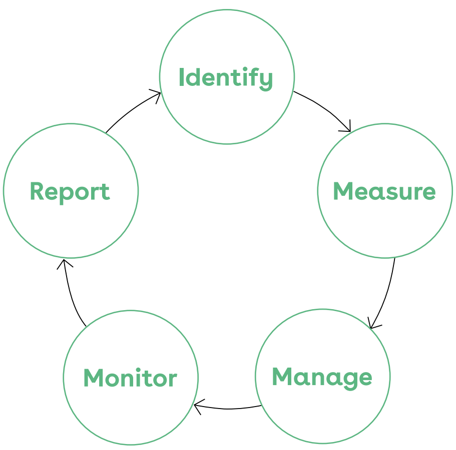
Our approach to risk and risk management

The Board has overall responsibility for ensuring that there is a robust assessment of the principal risks facing the Group. The audit committee, which has delegated responsibility for reviewing the effectiveness of the group's risk management processes, reviews the risk management processes for the business, reviewing presentations from management and challenging their analyses.

Executive Directors and other senior management are responsible for the implementation of risk management and internal control systems. They maintain, review and regularly update a risk register to assist in this process.

Given that some risks are external and not fully within our control, the risk management processes are designed to manage risks which may have a material impact on our business, rather than to fully mitigate all risks.

Risk management framework



Risk	Impact	Mitigation
Economic environment	A slowdown in the Global, US or UK economies or a prolonged downturn in the US stock market could adversely impact the Group's revenue as discretionary revenues from subscribers, attendees, advertisers, sponsors and other discretionary spend may decline.	The Group services three significant, high growth and global sectors. It is in the process of continuing to strengthen its brands and improving and broadening its suite of products and is expanding its presence overseas into Europe and the Far East. Strategic focus on developing must-have brands and recurring multi-year revenue streams.
Market risk	Customer demand for the Group's products and services is affected by competition and the business may not be able to develop products, services and brands to ensure that they remain relevant to customers.	The Group has invested in senior management capabilities to develop innovative products and services that meet changing customer requirements. The Group does not have any reliance on specific major clients, having focussed on developing a diverse client base. Refer to mitigation for Risk 1 for the Group's growth strategy.
Exchange rate risk	Adverse movements in the UK exchange rate with the US could erode the value of net assets held in the US, and the cashflows arising from our US operations.	Our US business is hedged with dollar denominated debt, with surplus funds remitted promptly to the UK. InvestmentNews has naturally hedged costs and revenues with both denominated in US dollars and is cash generative.
Acquisition risk	Acquisitions may not perform as expected financially, reducing profit contribution or integration plans may not execute as expected creating operational instability.	Rigorous acquisition criteria are applied before proceeding with, and thorough due diligence is undertaken during, any transaction. Board consent is required for every acquisition. Post-acquisition transition teams and plans will be put in place and monitoring carried out monthly to assess against KPIs give early warning of integration or finance issues. Any significant migration project costs will require Board consent.
Ineffective change management	Change from innovation or acquisition may not be managed effectively and could result in unrealised opportunities and poor and costly project delivery.	Detailed change management plans and project teams are/will be put in place. Clear KPIs will be established and regularly monitored.
Specific country risk	Operations expanding into new countries bring specific risk, through potentially adverse political, financial or regulatory changes in the relevant country.	Target countries for expansion have established and stable economies and political regimes. The Group's business is not likely to be subject to a high degree of regulation. As the Group expands into new countries it will establish best practice financial and operational KPIs and monitoring processes. The Group is adopting best in class Standards of Conduct.
Breach of Data Protection legislation	Customer data held for our online titles, other data held for customers, suppliers and employees may be inadequately protected or inappropriately used, in breach of legislation. This could lead to fines, customer dissatisfaction and reputational damage.	The Group has carried out a full GDPR review assisted by an accredited GDPR consultancy. No significant deficiencies have been highlighted and where issues have been identified a plan has been developed to bring those issue areas into GDPR compliance. All staff have undertaken mandatory GDPR training and certification.
Technology failure, data loss and cyber security	Prolonged loss of critical systems could inhibit the ability to deliver the website, publish its magazines and/or hold events potentially leading to lost revenue/increased costs, regulatory fines and/or adverse effects on the Group's reputation.	Current platforms have been reviewed by specialists in their field. A new technology platform for the Group is in the process of being implemented, which will provide a best in class technology solution including up-to-date integrity and security protection.
Recruitment and retention of key staff	Increased competition or acquisition integration issues may result in the inability to retain, attract and recruit key members of staff.	The Remuneration Committee implemented a management incentive strategy to incentivise key members of staff to drive performance and aid retention. New recruitment, employee training and compensation & benefits guidelines, KPIs and procedures have been implemented.
Major incident	Major incidents could cause harm and injury to people and venues and premises and/or severely interrupt business. If the Group's response is not adequate, this could cause reputational damage.	The Group has a comprehensive crisis management policy as well as localised plans for live events which include comprehensive risk assessments. The Group maintains comprehensive, up to date insurance.
Regulatory change	The Group is at risk of change in the current DOL fiduciary rules which have historically impacted Group revenues.	The Group continues to move away from advertising revenues to the creation of owned product or data sets.
Governance risk	As a Plc we could potentially fail to adhere to best practice in the Audit, Remuneration and Nomination Committees. This could lead to a lack of confidence by the investing institutions which impacts the share price.	The Group ensures that there is effective use of the committee structures.
Diversity	As a key supporter of diversity in the workplace we need to ensure we uphold the highest standards.	The Group has effective values and a code of conduct and it constantly monitors its adherence to the highest standards.

Corporate Governance statement

Strong, capable leaders

Introduction from our Chairman

In this section of our Report we have set out our approach to Governance and provided further information on how the Board and its committees operate. The Board recognises the importance of sound corporate governance and has therefore adopted policies and procedures reflecting the principles of the UK Corporate Governance Code that are consistent with the Corporate Governance Guidelines for Smaller Quoted Companies published in 2018 by the Quoted Companies Alliance (the "QCA Code").

The Audit Committee, Remuneration Committee and Nomination Committee have been operating in accordance with their terms of reference throughout the nine month period and details of each are outlined in this Report. During the period there was a new focus on risk evaluation and a risk workshop headed by the Audit Chair was held. The Board continues to review and monitor its corporate governance and, following its first internal Board review, recognises that there remain opportunities for improvement.

Neil Sachdev
Chairman
22 March 2019

QCA code compliance

The Board published a statement on 18 September 2018 advising on the adoption of and compliance with the Corporate Governance Guidelines for Smaller Quoted Companies published in 2018 by the Quoted Companies Alliance (the "QCA Code") and the Company has continued to be compliant with the QCA Code since publishing the statement. The Directors recognise the value and importance of high standards of corporate governance and anticipate that the Company will continue to comply with the QCA code. Given the Group's size and plans for the future, it will also endeavour to have regard to the provisions of the UK Corporate Governance Code as best practice guidance to the extent appropriate for a company of its size and nature. Outlined in this report are the 10 key governance principles as defined in the QCA Code.

The composition of the Board

The Board is responsible to the shareholders and sets the Group's strategy for achieving long term success. It is also ultimately responsible for the management, governance, controls, risk management, direction and performance of the Group.

The Board consists of three Non-executive Directors and three Executive Directors. David Brown was appointed as Group Financial Director on 29 May 2018 replacing Charles Riddell who resigned on 30 May 2018. This was the only change in the composition of the Board during the year.

The Board considers that Neil Sachdev, Anne Donoghue and Fraser Gray are independent, in character and in judgement, and to have no business relationships which impact on their independence. In making this judgement, the Board took into account that all hold shares, but bearing in mind the small percentage held, the Board determined that Anne and Fraser have both been independent since their appointments as Directors.

Board effectiveness

The skills and experience of the Board are set out in their biographical details on pages 24 to 25. The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance.

Simon Stilwell brings leadership and experience of substantially growing small businesses and Neil Sachdev, Anne Donoghue and Fraser Gray bring additional strategic, commercial, transaction and leadership experience which will be invaluable as we pursue the Company's growth strategy and continue to transform the Company and its Group.

How the Board operates

The Board is responsible for the Group's strategy and for its overall management. The operation of the Board is documented in a formal schedule of matters reserved for its approval, which is reviewed annually. These include matters relating to:

- The Group's strategic aims and objectives;
- The structure and capital of the Group;
- Financial reporting, financial controls and dividend policy;
- Internal control, risk and the Group's risk appetite;
- Raising new capital, budgets and granting of security over material Group assets;
- The approval of significant contracts and expenditure;
- Effective communication with shareholders;
- Any changes to Board membership or structure;
- Delegation of authority and establishing Board Committees and receiving reports from the Board Committees; and
- Corporate governance.

Board meetings

The Board met nine times during the nine-month period to 31 December 2018. Non-executive Directors communicate directly with Executive Directors and senior management between formal Board meetings.

Directors are expected to attend all meetings of the Board, and the Committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chairman so that their contribution can be included in the wider Board discussion.

The following table shows Directors' attendance at scheduled Board meetings during the nine-month period:

Board attendance

Neil Sachdev	●●●●●●●●●
Simon Stilwell	●●●●●●●●●
Niki Dowdall	●●●●●●●●●
David Brown	●●●●●●●
Anne Donoghue	●●●●●●●●●
Fraser Gray	●●●●●●●●●
Charles Riddell	●

Audit Committee attendance

Neil Sachdev	●●●●
Anne Donoghue	●●●●
Fraser Gray	●●●●

Remuneration Committee attendance

Neil Sachdev	●●●
Anne Donoghue	●●●
Fraser Gray	●●●

Nomination Committee attendance

Neil Sachdev	●●
Anne Donoghue	●●
Fraser Gray	●●

Comments

Neil Sachdev
Neil Sachdev attended all Board meetings and Committee meetings.

Simon Stilwell
Simon Stilwell attended all Board meeting. He also attended Committee meetings by invitation.

Niki Dowdall
Niki Dowdall resigned on 21 March 2019. She attended all Board meetings.

David Brown
David Brown was appointed on 29 May 2018 and attended all Board meetings after his appointment. He also attended Committee meetings and one Board meeting prior to his appointment by invitation.

Anne Donoghue
Anne Donoghue attended all Board meetings and Committee meetings.

Fraser Gray
Fraser Gray attended all Board meetings and Committee meetings.

Charles Riddell
Charles Riddell resigned 30 May 2018. He attended all Board meetings and Committee meetings by invitation until his resignation.

Corporate governance statement continues **on page 26**

10 principles of corporate governance

The Board is highly committed to meeting the standards of corporate governance.

Deliver growth

1. Establish a strategy and business model which promote long-term value for shareholders.
2. Seek to understand and meet shareholder needs and expectations.
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success.
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.

Maintain a dynamic management framework

5. Maintain the Board as a well-functioning, balanced team led by the chair.
6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.
7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.
8. Promote a corporate culture that is based on ethical values and behaviours.
9. Maintain governance structures and processes.

Build trust

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

Board of Directors

Capability, delivery and sector experience

Neil Sachdev

Non-executive Chairman

Neil Sachdev MBE is an experienced Chairman with a strong track record of corporate governance, strategy and change management. He was Chairman of Sirius Real Estate Limited until December 2017, Chairman of Martin's Properties Limited until December 2018 and Chairman of Market Tech Holdings Limited until June 2017. Neil stepped down as a Non-Executive Director of Intu Properties plc (formerly Capital Shopping Centres) during 2016 after ten years' service.

Previously, Neil held the post of Property Director of J Sainsbury and before that served for 28 years with Tesco, where he rose to be Stores Board Director, responsible for property and operations for the entire UK business. He also holds a number of public sector positions and was awarded an MBE for his work in relation to Energy Efficiency & Sustainability in the Retail sector. Mr Sachdev is currently the Chair of the Advisory Board of Warwick Business School.

Simon Stilwell

Chief Executive

Simon was, until 2015, chief executive of Liberum, the investment bank that he co-founded in 2007 and grew from a start up to £55m of revenue and 170 people in seven profitable years. Prior to Liberum, he served as head of sales, small companies, at Collins Stewart plc and was also a director at Beeson Gregory Limited.

Simon was commissioned into the Gloucestershire Regiment in 1992 and served in a variety of countries and roles before starting his City career in 1996. He graduated with a BSc in Geological Sciences from Durham University.

David Brown

Group Finance Director

David joined Bonhill Group in May 2018 as the Group Finance Director. David originally qualified as a chartered accountant with KPMG before joining Greene King plc in 1998. At Greene King plc he held a number of senior executive roles focusing on finance and acquisitions including Interim Group Finance Director between February and October 2014 and then subsequently Corporate Finance Director.

Most recently he was Chief Financial Officer of Market Tech Holdings Limited from March 2016 until its acquisition by LabTech investments Limited a deal which resulted in the company de-listing in July 2017.

Progress to date in transforming the Company:

Achieved

- **Business on stable financial footing:**
  - Refinanced and debt free balance sheet
  - New institutional shareholders
- **New leadership team in place:**
  - Entirely refreshed Board
  - Highly experienced new management team at operating level
  - New auditors and adviser appointed
- **Operational review completed:**
  - Business model revised
  - The Company's organisation structure and employee competences, business processes, technology infrastructure, brands and core propositions reviewed
- **Strategy re-focused to position the Company for rapid growth**
  - Corporate strategy re-focused to position the Company for rapid growth
  - Multi-year, multi-location brand contracts being signed
- **Strengthened Board of Directors and senior management team in place**
  - With the necessary quality, skills and experience
  - And the required strategy, processes, infrastructure and controls
  - To build and service a business of significant scale

Anne Donoghue
Non-executive Director

Anne started her career in 1978 at Co-operative Bank before joining NatWest in 1997. During her time at NatWest Anne held a major operational and integration delivery role as Head of Telephony Customer Services. Between 2004 and 2010 Anne was International Director at Tesco Personal Finance PLC, the finance Joint Venture between RBS and Tesco PLC.

Recently Anne has been involved in commercial and charitable events management including the City A.M. Active Trader conferences and annual Awards 2013, the Brand Finance Global Forum 2015 and 2016. In addition, within the charity sector the Soldiering On Awards, Square Mile Salute charity fundraiser, and City of London Livery and Guild.

Fraser Gray
Non-executive Director

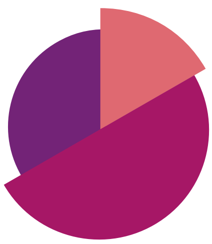
Fraser Gray BSc is an ICAS chartered accountant, licensed insolvency practitioner and accredited mediator and sits on a number of advisory boards. He is experienced in a wide variety of corporate activity supporting SME companies on growth and strategic matters.

Fraser was a Managing Director at AlixPartners in London until December 2016 following its acquisition of Zolfo Cooper Europe in February 2015. Fraser became a founding partner of Zolfo Cooper Europe in October 2008, which was set up to acquire Kroll Corporate Advisory & Restructuring Group where Fraser had worked since October 1996 and was a partner and leader of the Scottish practice. Fraser is also a Non-Executive Director of Maven Income and Growth VCT 6 PLC.

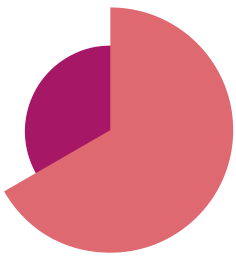
Niki Dowdall
MD – Events & Marketing

Niki leads Bonhill Group's expanding events business and is involved at every level from launch to delivery, including sales, marketing, logistics and content. Niki was also an Executive Director for the Company until 21 March 2019, sitting on its board. Niki has over 30 years of experience in the events industry. Prior to joining Bonhill Group in 2006, she was group show director at DMG World Media, running events visited by half a million people, such as the Daily Mail Ski and Snowboard Show and the Daily Mail Ideal Home Show.

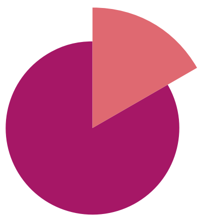
Board diversity



Board composition
1: Chairman
3: Executive Directors
2: Non-executive Directors



Gender balance
4: Male
2: Female



Length of tenure
1: 3 to 15 years
5: <3 years

Corporate Governance statement cont.

Board decisions and activity during the period

The Board has a schedule of regular business, financial and operational matters, and each Board Committee has compiled a schedule of work, to ensure that all areas for which the Board has responsibility are addressed and reviewed during the course of the nine-month period.

The Chairman is responsible for ensuring that the Directors receive accurate and timely information and ensures that any feedback or suggestions for improvement on Board papers are fed back to management. Minutes of each meeting are produced and circulated. Each Director is aware of the right to have any concerns minuted.

Board Committees

The Board has delegated specific responsibilities to the Audit, Remuneration and Nomination Committees, details of which are set out below. Each Committee reports back to the Board and has written terms of reference setting out its duties, authority and reporting responsibilities. Copies of all the Committee terms of reference are available on the Company's website www.bonhillplc.com or on request from the Company Secretary. The terms of reference of each Committee have already been reviewed by the Board during the nine-month period and it is intended that these will be kept under continuous review to ensure they remain appropriate and reflect any changes in legislation, regulation or best-practice. Each Committee is comprised of Non-executive Directors of the Company.

Audit Committee report

The Audit Committee is chaired by Fraser Gray, its other members are Anne Donoghue and Neil Sachdev. Fraser Gray, Neil Sachdev and Anne Donoghue are independent Non-executive Directors.

The Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported. It receives, and reviews reports from the Group's management and Auditor relating to the annual accounts and the accounting and internal control systems in use throughout the Group. It also advises the Board on the appointment of the Auditor, reviews its fees and discusses the nature, scope and results of the audit with the Auditor. The Audit Committee meets at least three times a year and has unrestricted access to the Group's Auditor. The Chief Executive and the Group Finance Director attend the Audit Committee meetings by invitation to ensure the Committee is fully informed of material events within the business.

The Board believes that the current members have sufficient skill, qualifications and experience to discharge their duties in accordance with the Committee's terms of reference and, as a Committee, have the competence in the sector within which the Company operates.

The Committee adopted new terms of reference on 27 June 2018 and, given the size of the organisation, the Committee decided to also cover risk management and internal controls and that a risk register be created.

The Committee met six times between the start of the nine month period and the signing of this report. The Chair of the Audit Committee has also met with the external auditors without Executive Directors or management present.

During the nine-month period, having considered best practice, the Board reviewed the accounting policy regarding the recognition and disclosure of leases, which led to a change of accounting policy in line with IFRS 16 and a decision to early adopt this policy for the nine-month period ending 31 December 2018. IFRS 9 and IFRS 15 were also adopted this period with no material impact.

Note 2 of the financial statements on page 51 outlines the changes in accounting policy during the period and the impact on the financial statements. This change resulted in an adjustment to the current statements of comprehensive income and financial position. It was agreed this change was necessary and the Committee welcomed the adoption of best practice.

The Audit Committee is responsible for reviewing the risk management and internal control framework and ensuring it operates effectively. It is considered that there are adequate controls and segregation of duties in place and the Committee is satisfied that the internal control systems in place are significantly robust and operating effectively.

The Committee met six times between the start of the nine month period and the signing of this report. The Chair of the Audit Committee has also met with the external auditors without Executive Directors or management present.

The Audit Committee monitors the nature and extent of non-audit services provided by the external auditor. Due to an existing appointment of the BDO LLP transaction services team as the reporting accountant on a potential investment, the non-audit fees to audit fees are a factor of 9:2 in the nine-month period. The Committee agreed that, whilst not desirable, this situation was justifiable and, in addition, agreed that BDO LLP had adequate safeguards in place to preserve its independence in both roles. On an ongoing basis it is expected that the fees for non-audit services will reduce significantly. A summary of the remuneration paid to BDO LLP for audit and non-audit services appears on page 57.

Having reviewed the Auditors independence and performance, the Audit Committee recommends that BDO LLP be re-appointed as the Group's auditor at the next AGM.

Remuneration Committee report

The Remuneration Committee is chaired by Anne Donoghue, its other members are Fraser Gray and Neil Sachdev. Fraser Gray and Anne Donoghue are independent Non-executive Directors.

The Committee adopted new terms of reference on 27 June 2018 under these terms of reference, the Committee meets at least twice a year.

The Remuneration Committee has responsibility for making recommendations to the Board on the Company's policy on the remuneration of the Company's Chief Executive, Executive Directors and other senior employees, and for the determination, within agreed terms of reference, of specific remuneration packages for each of the Executive Directors.

The remuneration and terms and conditions of appointment of the Non-executive Directors of the Company is set by the Chairman and the Executive Directors.

The terms of reference of the Committee cover such issues as membership and frequency of meetings, together with the role of the Company Secretary and the requirements of notice of, and quorum for, and the right to attend, meetings, including the ability of the Committee to invite non-members to attend meetings of the Committee, and, if considered appropriate, the appointment of independent remuneration consultants.

The duties of the remuneration Committee include determining and monitoring policy on, and setting levels of, remuneration, contracts of employment, early termination, performance-related pay and bonuses, pension arrangements, share incentive schemes, grants of awards under any share option scheme adopted by the Company, reporting and disclosure. The terms of reference also set out the reporting responsibilities and the authority of the Committee to exercise its duties. The Committee is required to conduct an annual assessment of its compliance with its terms of reference and of its effectiveness. The annual report sets out the remuneration paid to Directors, including bonus payments and long term incentives during the nine-month period ending 31 December 2018, on pages 58 and 59.

The Reward Scheme for the Company has been designed to be performance focused, whereby management's objectives are fully aligned to shareholders interests in achieving growth and shareholder value. The reward scheme aspires to attract and retain the highest quality individuals who will contribute fully to the success of the Group.

A bonus scheme offering up to 150% of salary was agreed for Executive Directors and senior management.

The Share Option Scheme, assists to recruit, retain and provide incentives to selected employees and executive Directors of the Group whose performance is paramount for the growth of the Group and for the benefit of Shareholders.

Under the scheme six members of its senior management team, including the Executive Directors received two types of awards. Each individual has been awarded an option over ordinary shares with an exercise price equal to the market price.

The market value for each individual is the maximum permitted of £249,999 allowed under the Enterprise Management Scheme rules. These options are subject to a performance condition such that they will vest if the total shareholder return over the performance period is 7% per annum compounded or higher. Half of this award will vest subject to the meeting of this performance condition over a three-year period and half will vest subject to the meeting of the performance condition over a four-year period.

In addition, the six individuals receive unapproved awards under a value creation plan structure which will entitle the individuals as a whole to 10% of total shareholder returns over the compound annual hurdle of 10%. Half of this award will vest subject to the meeting of this performance condition over a three- year period and half will vest subject to the meeting of the performance condition over a four- year period. The increase in shareholder value is calculated as the difference between the market capitalisation of the Company at the performance measurement date and the net invested capital in the Company, being the equity value of the Company on vesting plus amounts paid to subscribe for new ordinary shares up to the performance measure date, all increased by the compound annual hurdle of 10%, less all amounts paid by the Company by way of dividends or other distributions in respect of the ordinary shares.

The Committee has retained h2glenfern Limited to provide independent advice on executive remuneration. H2glenfern has no connection to the Group that could impair their independence.

Nomination Committee report

The Nomination Committee is chaired by Neil Sachdev and its other members are Fraser Gray and Anne Donoghue. Fraser Gray and Anne Donoghue are independent Non-executive Directors.

The Nomination Committee is responsible for reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes. During the nine-month period, the Committee followed a structured recruitment process for the Group Finance Director position, leading to the appointment of David Brown. Considered succession planning, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future, in addition to the leadership needs of the organisation, especially following the acquisition of InvestmentNews.

The Committee adopted new terms of reference on 27 June 2018 under these terms of reference, the Committee met formally three times during the nine-month period.

Induction of new Directors

David Brown was appointed as a Director during the financial period ended 31 December 2018. He completed a formal induction programme tailored to his existing knowledge and experience.

Time commitments

All Directors have been advised of the time required to fulfil the role prior to appointment and were asked to confirm that they can make the required commitment before they were appointed. This requirement is also included in their letters of appointment.

The Board is satisfied that the Chairman and each of the Non-executive Directors are able to devote sufficient time to the Group's business.

Corporate Governance statement cont.

Evaluation

An internal Board evaluation was undertaken during the nine months ended 31 December 2018. It was conducted by way of a questionnaire and Chairman interviews. In addition, the Non-executive Directors met, without the Chairman present, to evaluate his performance. The Board was satisfied that it was well run, whilst acknowledging areas for improvement as a Board and as individuals. Part of the questionnaire asked about the strategic direction of the Company and the Company Secretary ensured these items were taken forward to the agenda for the next Board strategy day. The Board considers that the use of external consultants to facilitate the Board evaluation process is likely to be of significant benefit to the process, and this is planned to take place every two years, with the first such external evaluation to take place during the year ending 31 December 2019.

Development

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's advisers where appropriate it is a standing item on the Board's agenda. Executive Directors are subject to the Company's performance development review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs considered. Non-executive Directors are encouraged to raise any personal development or training needs with the Chairman.

External appointments

In the appropriate circumstances, the Board may authorise Executive Directors to take non-executive positions in other companies and organisations, provided the time commitment does not conflict with the Director's duties to the Company, since such appointments should broaden their experience. The acceptance of appointment to such positions is subject to the approval of the Chairman.

Conflicts of interest

At each meeting the Board considers Directors' conflicts of interest. The Company's Articles of Association provide for the Board to authorise any actual or potential conflicts of interest.

Independent professional advice Directors have access to independent professional advice at the Company's expense. In addition, they have access to the advice and services of the Company Secretary who is responsible for advice on corporate governance matters to the Board.

Directors' and officers' liability insurance

The Company has purchased Directors' and officers' liability insurance during the period as allowed by the Company's articles.

Election of Directors

In accordance with the provisions of the Code, Simon Stilwell will submit himself for re-election at the Annual General Meeting.

Promotion of a corporate culture that is based on ethical values and behaviours

The Board monitors and promotes a healthy corporate culture and has considered how the culture is consistent with the Company's objectives, strategy and business model and with the description of principal risks and uncertainties.

The Board has considered and assessed the culture as being inclusive, transparent and collaborative with appropriate behaviours. The Board is satisfied that the Company has a "speak up" culture and the Directors have observed this occurring in practice during the period ended 31 December 2018. The Group has a Code of Conduct, an anti-bribery and Corruption policy, a Modern Slavery Statement and policies and procedures relating to whistleblowing stating the Company's commitment to conducting its business with honesty and integrity, its expectation that staff will maintain high standards, and encouraging prompt disclosure of any suspected wrong doing. The terms of reference of the Audit Committee include reviewing the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and keeping under review the Company's procedures for handling allegations from whistleblowers.

The Directors follow the guidance set out by Rule 21 of the AIM Rules relating to dealings by Directors in the Company's securities and, to this end, the Company has adopted an appropriate share dealing code.

Risk management and internal control

The Board is responsible for determining the nature and extent of significant risks that have an impact on the Group's operations, and for maintaining a risk management framework and internal control system. The Board is responsible for the management of risk and has carried out a robust assessment of the principal risks and uncertainties affecting the Group's business, discussed how these affect operations, performance and solvency and what mitigating actions, if any, can be taken. During the nine month period the Audit Chair carried out a risk workshop to evaluate and understand all the risks and uncertainties faced by the business. Further discussion on the principle risks relating to the Group are detailed at page 20. The Board is satisfied that effective risk management is embedded in the Group's business and effective risk management and related control systems are in place.

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

The principal elements of the Group's internal control system include:

- A schedule of matters reserved for the Board;
- Close management of the day to day activities of the Group by the Executive Directors and other members of senior management;
- Monthly reports to the Board;
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision making and rapid implementation whilst minimising risks;
- A comprehensive annual budgeting process producing a detailed integrated profit and loss, balance sheet and cash flow, which is approved by the Board;
- Detailed monthly reporting of performance against budget; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Group continues to review its system of internal control to ensure compliance with best practice, whilst also having regard to its size and the resources available. The Board considers that the introduction of an internal audit function is not appropriate at this juncture.

Relations with shareholders

The Directors seek to develop their understanding of the expectations and motivations of the Company's shareholders through effective communication with them. The Board encourages regular interaction and communication with both private and institutional shareholders and responds to shareholder queries in a timely manner. The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full year results. Private shareholders are encouraged to attend the Annual General Meeting at which the Group's activities are considered and questions answered. General information about the Group is also available on the Group's website (www.bonhillplc.com). This includes an overview of activities of the Group and details of all recent Group announcements. Where voting decisions are not in line with the Company's expectations, the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters and the Chief Executive Officer, CEO, is principally responsible for such communication. The Chairman and independent Non-executive Directors are available to discuss any matter stakeholders might wish to raise, and the Chairman and independent Non-executive Directors will attend meetings with investors and analysts as required. Investor relations activity and a review of the share register are standing items on the Board's agenda.

Directors' report

The Directors submit their report and the audited financial statements of Bonhill Group Plc for the year ended 31 December 2018.

Results and dividends

The results for the year are set out on page 37. The Directors are precluded from recommending the payment of a dividend but are in the process of applying for a court approved capital reduction to allow an interim dividend to be recommended in 2019.

Future developments

Future developments of the Group are disclosed in the strategic report on pages 8 to 15.

Financial risk management

Financial risks are considered and disclosed in Note 3 on page 52 onwards.

Directors

The following Directors have held office since 1 April 2018:

Neil Sachdev, Chairman	
Simon Stilwell, Chief Executive	
David Brown, Group Finance Director	(appointed 29 May 2018)
Nicola Dowdall, Managing Director of Events and Marketing	(resigned 21 March 2019)
Anne Donoghue, Non-executive Director	
Fraser Gray, Non-executive Director	
Charles Riddell, Finance Director	(resigned 30 May 2018)

Capital structure

Refer to Note 17 of the accounts for details on the capital structure of the Company. During the nine month period there has been a 40:1 consolidation of ordinary shares. All deferred shares were transferred to the Company for nil consideration in line with s659(1) of the Companies Act 2006 and subsequently cancelled.

Directors' interests in ordinary shares

Interests of Directors who held office as at 31 December 2018 in the ordinary shares of the Company were as follows:

	As at 31 December 2018 Ordinary shares of 1p each Number	As at 31 March 2018 Ordinary shares of 1p each Number
S Stilwell	562,500	437,500
F Gray	13,902	13,902
A Donoghue	4,534	4,534
D Brown	375,000	-
N Sachdev	25,000	-
N Dowdall (resigned 21 March 2019)	25,000	-

Employees

The Group recognises the importance of its employees and encourages internal communications with all staff. The Group has regular updates to advise employees regarding the Group's objectives and performance. The Group operates an open-door policy to encourage all staff to discuss with management any concerns they may have relating to the business.

Corporate Governance

The Corporate Governance statement is set out on page 22.

Directors' and officers' liability insurance

The Company maintains liability insurance covering the Directors and officers of the Company.

Statement as to disclosure of information to the auditor

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

On behalf of the Board

Simon Stilwell
Chief Executive
22 March 2019

Directors' responsibilities in the preparation of the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements, the Directors are required to:

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

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

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent auditor's report to the members of Bonhill Group plc

Opinion

We have audited the financial statements of Bonhill Group plc (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 31 December 2018 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows, company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2018 and of the Group's loss for the period then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How we addressed the key audit matter in the audit
Revenue recognition arising as a result of inappropriate cut-off via the manipulation of deferred revenue. Refer to Note 1 (Revenue recognition accounting policy). We focused on this area due to the significant increase in revenue for the Group, with revenue of £8m (March 2018: £2.6m) and the implementation of IFRS 15 in the period. For the events businesses, there is a significant lead time in the billing of customers prior to an event taking place. As such, there is the potential for cut-off errors with revenue being recognised in the wrong period either as a result of error or management manipulation of the timing of revenue recognition. In addition the Group recognises revenue from subscriptions which spans the 31 December period end. This increases the potential for misstatement either through error or for management manipulation of the timing of revenue recognition. Therefore, the key audit matter is the existence of revenue around the period end, including the recognition of the correct apportionment of revenue in the period based on performance obligations completed as defined per IFRS 15 and the related amount deferred at the period end.	For each material revenue stream, we considered management's processes for determining revenue to be recognised in accordance with the group's accounting policies and IFRS 15. This included identifying separate performance obligations included in sponsorship contracts to determine whether revenue was being recognised appropriately. · As part of our overall revenue recognition testing we used substantive procedures to test the correlation of revenue transactions to cash receipts for 100% of sales through the period. For those in-scope components where we did not perform 100% testing as noted above, we performed alternative procedures, including substantive transaction testing. · For a sample of transactions relating to print or advertising sales and events occurring close to the period end, examining supporting documentation to determine whether revenue recognition criteria had been met and whether the revenue had been appropriately recognised in the period or deferred at the period end. · For a sample of subscription transactions, obtaining and reviewing the relevant order confirmations and contracts to validate whether revenue was properly allocated across the term of the contract in the correct accounting period; and · Other audit procedures specifically designed to address the risk of management override of controls included journal entry testing, applying particular focus to the timing of revenue transactions. Based on the procedures performed, including those in respect of cut off via manipulation of deferred revenue, we did not identify any evidence of material misstatement in the revenue recognised in the period or revenue deferred at 31 December 2018.
The accounting for the acquisition of InvestmentNews. Refer to Notes 1 and 22 for further information. During the period, the Group completed its acquisition of InvestmentNews. We focused on the accounting for these transactions because they are material to the consolidated financial statements of the Group and because there is a degree of judgement in the identification and valuation of the assets and liabilities acquired. The most significant risk was considered to be incorrect identification and measurement of the acquired intangible assets since the valuation is based on valuation techniques, which involve significant judgment about the future results of the business, the discount rates applied to future cash flows and royalty rates used.	Our work over the accounting for the acquisition during the period was supported by our in-house valuation experts and included the following procedures: · We agreed the cash, equity consideration paid and vendor loan note to supporting documentation. · We tested the fair values of the assets and liabilities acquired and, based on our understanding of the acquired business, assessed whether all assets and liabilities had been appropriately identified. · We used our in-house valuation experts to assess the appropriateness of the methodology used to value intangible assets and the reasonableness of certain key assumptions. · We performed a sensitivity analysis to understand the extent to which changes in key assumptions may give rise to a materially different valuation for the intangible asset. · We re-performed the calculation of goodwill. · We assessed the sufficiency of the disclosures relating to the acquisition, taking into account the requirements of relevant financial reporting standards and tested the completeness and accuracy of those disclosures. Based on the work performed, we found that the fair value of the acquired assets and liabilities were supported by the evidence obtained.

Independent auditor's report to the members of Bonhill Group plc cont.

Key audit matter	How we addressed the key audit matter in the audit
The carrying amount of goodwill (£14m (March 2018: £0.6m)). Refer to Notes 1 and 12 for further information. Goodwill arising on acquisition of a business is not amortised but tested for impairment at least once a year, or more frequently where there is an indication that it may be impaired. We focused on this area because goodwill is material to the consolidated financial statements and the assumptions used by management in the impairment assessment are inherently subjective. In particular, the assessment is highly sensitive to changes in forecast earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) margins.	Our work to address the impairment of goodwill was supported by our in-house valuation experts and included the following procedures: • We assessed whether the forecast EBITDA margins were reasonable by comparing them to historical trends and by considering the accuracy of management's forecasting in the past. We considered whether there had been any changes to the business or to the market environment, which could increase the level of uncertainty in the forecast. • We performed sensitivities to confirm that the forecast EBITDA margin continued to remain the key assumption to which the impairment assessment was most sensitive. We also considered to what level the EBITDA margin would need to deteriorate to in order to indicate impairment. • We used our in-house valuation experts to compare the discount rate to our own estimate of the Group's cost of capital, adjusted for the effects of tax. • We also assessed the reasonableness of the assumed long-term growth rate in light of external forecasts for the UK and US economies. Based on the work performed, we found that the methods used in the impairment assessment were appropriate and that the conclusions reached were supported by the evidence obtained.
The classification of exceptional items (£2.6m (March 2018: £0.5m)). Refer to Note 5 (c) for further information. The Group's accounting policy is to report items of income and expense as exceptional items where they relate to an event which falls outside the ordinary activities of the business and where individually or in aggregate they have a material impact on the financial statements. Exceptional items primarily consisted of acquisition related costs. We focussed on this area because exceptional items are material to the consolidated financial statements and because there is a degree of judgement in their classification.	We tested the classification of exceptional items by examining supporting information such as invoices. Given the scale of change brought about by the acquisition completed this period, and the fact that, materially, only costs related to the acquisition of InvestmentNews have been separated, we accepted this classification for the current period.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% of Group materiality (March 2018: 70%). We have set performance materiality at this percentage due to the stabilisation of the control environment including no fundamental control observations in the prior year.

Overall materiality	£100,000 (March 2018: £45,000)
Basis for determining	1.25% of revenue (March 2018: 8% of loss before tax)
Rationale for benchmark applied	In arriving at this judgement, we considered the financial measures which we believed to be most relevant to the shareholders in assessing the performance of the Group. Profit before tax is a generally accepted benchmark for a profit-orientated business. However, due to substantial acquisition costs incurred in the period, there has been a degree of volatility in this measure. We concluded that, in isolation, this metric did not appropriately reflect the scale of the Group's ongoing operations or its underlying performance. As a result, revenue was considered the most appropriate metric, but in quantifying materiality, we have also had regard to other performance measures such as operating profit and the impact of exceptional items.
Group performance materiality	75% of Group materiality i.e. £75,000 (March 2018: £31,500)
Parent Company and component materiality	75% of Group materiality i.e. £75,000 (March 2018: £45,000)

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of 5% of materiality i.e. £5,000 (March 2018: £2,250). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group and changes in the business environment when assessing the level of work to be performed on each entity. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, we performed an audit of the complete financial information ("full scope components") of all six components within the Group consolidation, covering entities within the UK and US which represent the principal business units within the Group. The Group's primary audit team performed all audit procedures on all full scope components in the UK and US.

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud. We designed audit procedures at Group and full scope component level to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. We focused on laws and regulations that could give rise to a material misstatement in the Group and company financial statements, including, but not limited to, the Companies Act 2006, the Listing Rules and UK and US tax legislation. Our tests included, but were not limited to, review of the financial statement disclosures to underlying supporting documentation and enquiries of management. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Independent auditor's report to the members of Bonhill Group plc cont.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for 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.

Responsibilities of Directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

Andrew Viner (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
55 Baker Street, London, W1U 7EU
22 March 2019
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Consolidated statement of comprehensive income
for the 9 month period ended 31 December 2018

		9 month period ended 31 December 2018			12 month period ended 31 March 2018		
	Notes	Adjusted results £'000	Adjusting items £'000	Statutory results £'000	Adjusted results £'000	Adjusting items £'000	Statutory results £'000
Revenue		7,991	–	7,991	2,606	–	2,606
Net operating expenses	5	(7,149)	(2,184)	(9,333)	(2,993)	(95)	(3,088)
Impairment relating to expected credit losses	3	(21)	–	(21)	(6)	–	(6)
Depreciation		(20)	–	(20)	(6)	–	(6)
Amortisation and impairment		(135)	(456)	(591)	(39)	(431)	(470)
Net operating profit/(loss)	5	666	(2,640)	(1,974)	(438)	(526)	(964)
Finance costs	9	(146)	–	(146)	(7)	–	(7)
Profit/(loss) before tax		520	(2,640)	(2,120)	(445)	(526)	(971)
Tax	10	–	280	280	–	–	–
Profit/(loss) for the period		520	(2,360)	(1,840)	(445)	(526)	(971)
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations		35	–	35	–	–	–
Total comprehensive income/(loss) for the year		555	(2,360)	(1,805)	(445)	(526)	(971)
Basic loss per share attributable to the owners of the parent	11	2.69p		(9.51p)	(12.29p)		(26.79p)
Diluted loss per share attributable to the owners of the parent	11			(9.51p)			(26.77p)

Financial Statements

Consolidated statement of financial position
as at 31 December 2018

	Notes	31 December 2018 £'000	31 March 2018 £'000
Non-current assets			
Goodwill	12	13,955	564
Other intangible assets	12	9,461	563
Property, plant and equipment	13	125	35
Deferred tax asset	10	333	-
Right-of-use asset	21	968	-
		24,842	1,162
Current assets			
Trade and other receivables	15	5,278	337
Cash and cash equivalents	16	4,367	1,004
		9,645	1,341
Total assets		34,487	2,503
Non-current liabilities			
Deferred tax liability	10	(2,423)	-
Borrowings	20	(2,701)	-
Lease financial liability	21	(733)	-
		(5,857)	-
Current liabilities			
Trade and other payables	19	(3,724)	(540)
Borrowings	20	(1,622)	-
Lease financial liability	21	(285)	-
Current tax liability	10	(73)	-
		(5,704)	(540)
Total liabilities		(11,561)	(540)
Net assets		22,926	1,963
Equity			
Share capital	17	343	4,025
Share premium account	17	26,715	4,315
Share option reserve	18	68	118
Other reserves		4,086	104
Retained earnings		(8,321)	(6,599)
Foreign exchange reserve		35	-
Total equity attributable to owners of the parent		22,926	1,963

Company statement of financial position
as at 31 December 2018

	Notes	31 December 2018 £'000	31 March 2018 £'000
Non-current assets			
Goodwill	12	108	108
Other intangible assets	12	300	324
Property, plant and equipment	13	93	35
Deferred tax asset	10	85	–
Investment in subsidiaries	14	17,949	878
		18,535	1,345
Current assets			
Trade and other receivables	15	1,196	177
Cash and cash equivalents	16	2,905	633
		4,101	810
Total assets		22,636	2,155
Current liabilities			
Trade and other payables	19	(2,726)	(2,400)
		(2,726)	(2,400)
Total liabilities		(2,726)	(2,400)
Net assets		19,910	(245)
Equity			
Share capital	17	343	4,025
Share premium account	17	26,715	4,315
Share option reserve	18	68	118
Other reserves		4,086	104
Retained earnings		(11,302)	(8,807)
Total equity attributable to owners of the parent		19,910	(245)

The financial statements consolidate the accounts of Bonhill Group plc and all of its subsidiary undertakings ('subsidiaries'). Intra-group sales and profits are eliminated fully on consolidation. The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company statement of comprehensive income. The loss for the parent Company for the year was £2.613m (31 March 2018: £1,221m).

Consolidated statement of changes in equity
for the 9 month period ended 31 December 2018

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Other reserves £'000	Retained earnings £'000	Foreign exchange reserve £'000	Total £'000
Balance as at 31 March 2017 as restated	2,950	3,369	118	104	(5,628)	–	913
Loss for the period	–	–	–	–	(971)	–	(971)
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive loss for the period	–	–	–	–	(971)	–	(971)
Transactions with owners in their capacity as owners:							
Issue of share capital	1,075	946	–	–	–	–	2,021
Balance as at 31 March 2018	4,025	4,315	118	104	(6,599)	–	1,963
Loss for the period	–	–	–	–	(1,840)	–	(1,840)
Other comprehensive income	–	–	–	–	–	35	35
Total comprehensive loss for the period	–	–	–	–	(1,840)	35	(1,805)
Transactions with owners in their capacity as owners:							
Issue of share capital	300	23,699	–	–	–	–	23,999
Share issue costs	–	(1,299)	–	–	–	–	(1,299)
Removal of share option scheme	–	–	(118)	–	118	–	–
Share option charge	–	–	68	–	–	–	68
Foreign currency translations	–	–	–	–	–	–	–
Cancellation of deferred shares	(3,982)	–	–	3,982	–	–	–
Balance as at 31 December 2018	**343**	**26,715**	**68**	**4,086**	**(8,321)**	**35**	**22,926**

Company statement of changes in equity
for the 9 month period ended 31 December 2018

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Other reserves £'000	Retained earnings £'000	Foreign exchange reserve £'000	Total £'000
Balance as at 31 March 2017	2,950	3,369	118	104	(7,586)	–	(1,045)
Loss for the period	–	–	–	–	(1,221)	–	(1,221)
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive loss for the period	–	–	–	–	(1,221)	–	(1,221)
Transactions with owners in their capacity as owners:							
Issue of share capital	1,075	946	–	–	–	–	2,021
Balance as at 31 March 2018	4,025	4,315	118	104	(8,807)	–	(245)
Loss for the period	–	–	–	–	(2,613)	–	(2,613)
Other comprehensive income	–	–	–	–	–	–	–
Total comprehensive loss for the period	–	–	–	–	(2,613)	–	(2,613)
Transactions with owners in their capacity as owners:							
Issue of share capital	300	23,699	–	–	–	–	23,999
Share issue costs	–	(1,299)	–	–	–	–	(1,299)
Removal of share option scheme	–	–	(118)	–	118	–	–
Share option charge	–	–	68	–	–	–	68
Foreign currency translations	–	–	–	–	–	–	–
Cancellation of deferred shares	(3,982)	–	–	3,982	–	–	–
Balance as at 31 December 2018	**343**	**26,715**	**68**	**4,086**	**(11,302)**	**–**	**19,910**

Consolidated statement of cash flows
for the 9 month period ended 31 December 2018

	Notes	9 month period ended 31 December £'000	12 month period ended 31 March £'000
Cash used in operations		(401)	(939)
Interest paid	9	(129)	(7)
Net cash generated from operating activities		(530)	(946)
Investing activities			
Purchases of property, plant and equipment		(90)	(32)
Purchases of intangible assets		(44)	(8)
Cash paid for acquisition		(12,867)	-
Acquisition costs		(1,774)	-
Net cash used in investing activities		(14,775)	(40)
Financing activities			
Proceeds from issue of ordinary shares		19,247	2,021
Repayment of invoice discounting facility and other borrowings		(449)	(147)
Payment of vendor loan fees		(138)	-
Net cash (used in)/generated from financing activities		18,660	1,874
Foreign exchange movement		8	-
Net increase in cash and cash equivalents		3,363	888
Cash and cash equivalents at the beginning of the period	16	1,004	116
Cash and cash equivalents at the end of the period	16	4,367	1,004

Company statement of cash flows
for the 9 month period ended 31 December 2018

	Notes	9 month period ended 31 December £'000	12 month period ended 31 March £'000
Cash used in operations		(3,911)	(832)
Interest paid	9	–	(7)
Net cash generated from operating activities		(3,911)	(839)
Investing activities			
Purchases of property, plant and equipment		(75)	(32)
Purchases of intangible assets		(35)	(8)
Investment in subsidiaries		(13,059)	–
Acquisition costs		(700)	–
Net cash used in investing activities		(13,869)	(40)
Financing activities			
Proceeds from issue of ordinary shares		19,247	2,021
Repayment of invoice discounting facility and other borrowings		–	(100)
Loans from subsidiaries		805	(458)
Net cash (used in)/generated from financing activities		20,052	1,463
Foreign exchange movement		–	–
Net increase in cash and cash equivalents		2,272	584
Cash and cash equivalents at the beginning of the period	16	633	49
Cash and cash equivalents at the end of the period	16	2,905	633

Notes to the cash flow

(a) Reconciliation of loss after tax to cash flows used in operations

	Group		Company	
	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Loss after tax	(1,840)	(971)	(2,613)	(1,221)
Adjustments for:				
Tax	(280)	-	(85)	-
Finance costs	146	7	-	7
Loss on write off relating to software	-	15	-	15
Profit on disposal of historic property, plant and equipment	-	(2)	-	(2)
Amortisation and impairment	591	470	59	443
Depreciation of property, plant and equipment	20	6	17	6
Share-based payment charge	68	-	68	-
Other exceptional costs	2,184	-	1,101	-
Operating cash flows before movements in working capital	889	(475)	(1,453)	(752)
Movement in receivables	(2,520)	45	(378)	4
Movement in payables	1,230	(509)	(2,080)	(84)
Cash flows used in operations	(401)	(939)	(3,911)	(832)

(b) Reconciliation of liabilities arising from financing activities

			Non-cash changes			
Group	31 March 2018 £'000	Cash flows £'000	Acquisition £'000	Foreign exchange movement £'000	Items reclassified from non-current to current during the period £'000	31 December 2018 £'000
Long-term borrowings	-	-	3,371	5	(675)	2,701
Short term borrowings	-	(400)	1,349	(2)	675	1,622
Lease liabilities	-	(49)	1,065	2	-	1,018
Total liabilities from financing activities	-	(449)	5,785	5	-	5,341

There are no liabilities from financing on a Company level.

Notes to the financial statements
for the 9 month period ended 31 December 2018

Bonhill Group plc is a public limited Company incorporated in the United Kingdom, whose shares are publicly traded on the AIM market. The Company is registered and domiciled in England and its principal place of business is 7th Floor, 14 Bonhill Street, London, EC2A 4BX.

1. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements are presented in GBP, which is also the Group's presentational currency.

Amounts are rounded to the nearest thousand, unless otherwise stated.

Basis of accounting

The financial statements of Bonhill Group plc have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and IFRIC interpretations (IFRS) and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Adoption of international accounting standards

The Group has adopted new standards or principals during the year which have an impact on the financial statements of the Group. Please refer to Note 2 for further details.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chairman's statement on pages 4 to 5 and the Chief Executive's review on pages 12 to 15.

The Directors regularly review detailed forecasts of sales, costs and cash flows, and regularly project forwards 12 months ahead or more. The assumptions underlying the budget are challenged, varied and tested to establish the likelihood of a range of possible outcomes including reasonable cash flow sensitivities. The expected figures are carefully monitored against actual outcomes each month and variances are highlighted and discussed at Board level.

The Directors have reviewed cash flow forecasts for the period to 31 December 2020 and considered cash flow requirements for the period to 31 December 2020 for the purposes of approving these financial statements.

The cash flow forecasts demonstrate that the Group will be able to pay its debts as they fall due for the period to at least 31 December 2020. In the event that sales did not hit the projected levels, management is able to adjust overhead levels to relieve any short term cash pressures which arose.

The Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

Consolidation

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

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

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised.

All subsidiaries have an accounting reference date of 31 December 2018. For further details on the acquisition of InvestmentNews in the period, refer to Note 22.

Subsidiaries

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

1. SIGNIFICANT ACCOUNTING POLICIES cont.

Foreign exchange

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date.

On consolidation, the results of overseas operations are translated into GBP at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

Revenue

Revenue represents the fair value, net of value added tax, of consideration received or receivable, for goods sold and services provided to customers. There are four income streams recognised within revenue:

Advertising (traditional)
Revenue is recognised when the relevant publication is printed (performance obligation as defined).

Advertising (online)
Revenue is recognised over the period over which the campaign runs i.e. over time.

Subscriptions
Subscription contracts have distinct performance obligations over the period of the subscription. Revenue is therefore recognised evenly on a time basis over the subscription period.

Event revenues
Event revenue is recognised in the period the events are held.

Research
Revenue is recognised immediately on purchases or in line with a bespoke contract.

In each case, customers may be invoiced in advance of income recognition, in which case the proportion of invoiced income relating to subsequent periods is included in deferred income.

For executive management purposes, the business has two reportable segments.

Segmental analysis has been performed in Note 4.

During the period, no individual customer accounted for more than 10% of the reported revenue.

Barter transactions

The Group may undertake barter transactions such that services are provided to a third party in exchange for goods or services being supplied to the Group. The revenue in relation to services provided by the Group is recognised at fair value when the related performance obligations are met and an equal and opposite expense is recognised at the same value. The arrangements relating to the barter transactions fall within the scope of IFRS 15.

Share based payments

The Group issues equity-settled share-based payments to full-time employees. Equity-settled share-based payments are measured at the fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Fair value is measured by use of the Monte Carlo model for all share options in issue. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

1. SIGNIFICANT ACCOUNTING POLICIES cont.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable assets and liabilities of the acquired subsidiary at the date of acquisition.

Goodwill, with an indefinite useful life, is tested annually for impairment and carried at cost less accumulated impairment losses. Any impairment charge is recognised in administrative expenses within the statement of comprehensive income in the year in which it occurs. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Publishing rights

In accordance with IAS 38 Intangible assets, publishing rights acquired are capitalised as intangible assets. Amortisation is charged so as to write off the cost of publishing rights over their estimated useful economic lives, using the straight-line method, on the following bases:

Publishing rights	20 years straight line

Website development costs

Website development costs are accounted for in accordance with IAS 38. Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. The amortisation expense is included within administrative expenses in the consolidated statement of comprehensive income. Website development costs are amortised over three years.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the consolidated statement of comprehensive income as incurred.

Brand

The fair values of identifiable brands are capitalised in accordance with IFRS 3, measured at acquisition fair value. Amortisation is charged over their estimated useful economic lives, using the straight-line method, on the following bases:

Brands	10 years straight line

Customer relationships

The fair values of identifiable customer relationships are capitalised in accordance with IFRS 3, measured at acquisition fair value. Amortisation is charged over their estimated useful economic lives, using the straight-line method:

Customer relationships	7 years straight line

Investments

Investments are stated at cost less any provision for impairment in value.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Fixtures, fittings and equipment	3 years straight line

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

1. SIGNIFICANT ACCOUNTING POLICIES cont.

Current and deferred taxation

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

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 profits ('temporary differences') and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Where there are taxable temporary differences arising on subsidiaries, deferred tax liabilities are recognised except where the Group is able to control the reversal of temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Where there are deductible temporary differences arising on subsidiaries, deferred tax assets are recognised only where it is probable that they will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting 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, based upon tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred income

Deferred income is recognised in the financial statements in accordance with the Group's accounting policy for revenue recognition.

Leased assets and obligations

IFRS 16 has been early adopted by the Group. See Note 2 for further disclosure around the change in accounting policy.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a term of 12 months or less.

Assets leased for a period of less than a year are not recorded in the statement of financial position. Rental payments are charged directly to profit or loss on a straight-line basis over the lease term.

Where assets are leased for a period of more than a year, a right-of-use asset and lease liability are recognised on the statement of financial position. After lease commencement, the right-of-use asset is measured using a cost model at cost less accumulated amortisation. The lease liability is initially measured at the present value of the lease payments payable over the lease term. The present value of the lease payment is determined using the discount rate representing the incremental borrowing rate of the Company.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

1. SIGNIFICANT ACCOUNTING POLICIES cont.

Leased assets and obligations cont.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Provisions and invoice discounting

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated. Where the effect of the time value of money is material, the provision is based on the present value of future outflows, discontinued at the pre-tax discount rate that reflects the risks specific to the liability.

Invoice discounting

Amounts due in respect of invoice discounting are separately disclosed as current liabilities. The Group can use these facilities to draw down a percentage of the value of certain sales invoices. The management and collection of trade receivables remains with the Group.

Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group has become party to the contractual provisions of the instrument.

Trade and other receivables

Trade receivables are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and subsequently measured at amortised cost using the effective interest method less provision for impairment.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The Group has determined that trade receivables across different propositions, sectors and countries have similar risk characteristics. The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised in the statement of comprehensive income. When a trade receivable is uncollectible, it is written off against the provision account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Trade payables

Trade payables are initially recognised at cost and subsequently measured at amortised cost using the effective interest method. There is no material variance between book and fair values.

Borrowings

Borrowings are recorded initially at their fair value; net of direct transaction costs and finance charges are recognised in profit or loss over the term of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding. Note 20 provides details of the applicable interest rates. There is no material variance between book and fair values.

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

1. SIGNIFICANT ACCOUNTING POLICIES cont.

Financial instruments cont.

Equity instruments
Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Reserve	Description and purpose
Share capital	Represents the nominal value of equity shares.
Share premium	Amount subscribed for share capital in excess of the nominal value.
Share option reserve	Represents equity-settled share based employee remuneration until such options are exercised.
Other reserve	Represents transactions with equity participants. This reserve includes the Capital Redemption Reserve as a result of the cancellation of the deferred shares.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

Judgements and estimates

The Group makes judgements and assumptions concerning the future that impact the application of policies and reported amounts. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events. The judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Impairment of assets
The Group is required to assess whether goodwill has suffered any impairment loss, based on the recoverable amount of its cash generating units ("CGUs"). The recoverable amount has been determined based on value in use calculations and these calculations require the use of estimates in relation to future cash flows and suitable discount rates as disclosed in Note 12. Actual outcomes could vary from these estimates.

Financial and non-financial assets including website development costs and publishing rights are subject to impairment reviews based on whether events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on the present value of expected future cash flows which include management assumptions and estimates of future performance.

Deferred tax asset
The Group has recognised a deferred tax asset based on the expectation that taxable profits will be recognised against which the Group can utilise assessed losses.

Expected credit losses
The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The Group has determined that trade receivables across different propositions, sectors and countries have similar risk characteristics.

Share based payments
Share options are recognised as an expense based on their fair value at date of grant. The fair value of the options is estimated through the use of a valuation model – which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life – and is expensed over the vesting period. Some of the inputs used to calculate the fair value are not market observable and are based on estimates derived from available data, such as employee exercise behaviour and employee turnover.

Valuation of acquired intangible assets
Intangible assets acquired in a business combination are required to be recognised separately from goodwill and amortised over their useful life if they are subject to contractual or legal rights or are separately transferable and their fair value can be reliably estimated. The Group has separately recognised the intangible assets acquired during the acquisition (see Note 22).

The fair value of these acquired intangible assets is based on valuation techniques. The valuation models require input based on assumptions about the future. Management uses its best knowledge to estimate the fair value of acquired intangible assets as of the acquisition date. The value of intangible assets is tested for impairment when there is an indication that they might be impaired. Management also make assumptions about the useful life of the acquired intangible assets which might be affected by external factors.

2. CHANGES IN ACCOUNTING POLICY

The following relevant standards, amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning after 1 January 2018:

IFRS 15 Revenue from Contracts with Customers

The following standard has been published and is mandatory for accounting periods beginning after 1 January 2018.

IFRS 15 replaces IAS 18 Revenue effective 1 January 2018, the EU has approved the standard. IFRS 15 provides a five step revenue recognition model:

- Identify the contract
- Identify separate performance obligations
- Determine the transaction price
- Allocate the transaction price to separate performance obligations
- Recognise revenue when the performance obligation is satisfied

The Group has four contract types; advertising revenue, subscription fees and events revenue and research revenue.

Once the performance obligation(s) is established and the transaction price is allocated (allocation is based on the contract amount as agreed with the customer), revenue is recognised when (or as) goods or services are transferred to a customer, this being represented by transfer of control.

- A present obligation to pay
- Physical possession of the assets
- Legal title
- Risks and rewards ownership
- Acceptance of the asset(s)

The Group has adopted IFRS 15 using the full retrospective method, there was no adjustment required to either period presented on transition. Practical expedients used were as follows:

- The Group has not disclosed the allocation of the transaction price to the remaining performance obligations to either reporting period or disclosed when the revenue is expected to be recognised; and
- Contracts that started and ended within the same reporting period have not been restated.

IFRS 9 Financial Instruments

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement bringing all three aspects of the accounting together for financial instruments: classification and measurements; impairment; and hedge accounting. The only change that impacts the Group is the change in calculation of the expected credit loss allowance and considerations are discussed below.

Impairment

The adoption of IFRS 9 Financial Instruments for period from 1 January 2018, resulted in a change of accounting policy however there were no adjustments required through opening retained earnings.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on similar aging. The Group has concluded that the expected loss rates for trade receivables, are a reasonable approximation of the loss rates for each ageing category and customer based on historical debt trends.

The expected credit loss details are disclosed in Note 3 of the financial statements.

IFRS 16 Leases

This standard has been early adopted by the Group and therefore the lease held by InvestmentNews LLC to rent their US office has been accounted for in line with IFRS 16. The consolidated statement of comprehensive income for the 9 month period to 31 December 2018 includes £0.015m of interest and £0.098m of amortisation of the right to use asset in line with IFRS 16. Refer to Note 21 for further details on the lease.

If the lease had been accounted for according to IAS 17, it would have been treated as an operating lease and so the impact on the consolidated statement of comprehensive income for the 9 month period to 31 December 2018 would have been a rental expense of £0.117m. Therefore the total impact of early adoption is to reduce the loss for the period by £0.004m with an improvement of £0.117m to EBITDA.

The weighted average incremental borrowing rate applied to lease liabilities was 4%.

In applying the modified retrospective approach, the Group has taken advantage of the following practical expedients:

- Leases with a remaining term of 12 months or less from the date of application have been accounted for as short-term leases (i.e. not recognised on balance sheet) even though the initial term of the leases from lease commencement date may have been more than 12 months.

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT

As well as short term trade receivables, accrued income, trade payables and accruals, as detailed in the notes that arise directly from operations the Group's financial instruments comprise cash, borrowings and payables. The fair values of these instruments are not materially different to their book values. The objective of holding financial instruments is to raise finance for the Group's operations and manage related risks. The Group's activities expose the Group to a number of risks including interest rate risk, credit risk and liquidity risk. The Group manages these risks by regularly monitoring the business and providing ongoing forecasts of the impact on the business.

Liquidity risk

The Directors closely monitors the Group's and Company's financial position to ensure it has sufficient funds to meet its obligations as they fall due. The Group finance function produces regular forecasts that estimate the cash inflows and outflows for the next six months, so that management can ensure that sufficient financing is in place as it is required.

Maturity analysis

The table below analyses the Group's and the Company's financial liabilities based on the contractual gross undiscounted cash flows for amounts outstanding at the reporting date up to maturity date:

Maturity analysis at 31 December 2018	Less than 6 months £'000	Between 6 months and 1 year £'000	Between 1 year and 5 years £'000	Total £'000
Group				
Borrowings	967	940	2,891	4,798
Lease financial liability	160	160	772	1,092
Trade and other payables	2,061	–	–	2,061
Total liabilities	3,188	1,100	3,663	7,951
Company				
Borrowings	–	–	–	–
Lease financial liability	–	–	–	–
Trade and other payables	2,520	–	–	2,520
Total liabilities	2,520	–	–	2,520

Maturity analysis at 31 March 2018	Less than 6 months £'000	Between 6 months and 1 year £'000	Between 1 year and 5 years £'000	Total £'000
Group				
Borrowings	–	–	–	–
Trade and other payables	279	–	–	279
Total liabilities	279	–	–	279
Company				
Borrowings	–	–	–	–
Trade and other payables	2,082	–	–	2,082
Total liabilities	2,082	–	–	2,082

Trade and other payables consist of trade payables, other payables, accruals and amounts owed to subsidiary undertakings as shown in Note 19.

The Group and Company would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows as disclosed above through effective cash management.

3. FINANCIAL RISK MANAGEMENT cont.

Interest rate risk

The Group's interest rate exposure arises mainly from its interest-bearing borrowings. Contractual agreements entered into at floating rates expose the Group to cash flow risk, while fixed-rate borrowings expose the Group to fair value risk. The Group regularly reviews its funding arrangements to ensure they are competitive with the marketplace.

The table below shows the Group's and Company's financial assets and liabilities split by those bearing fixed and floating rates and those that are non-interest bearing:

31 December 2018	Fixed rate £'000	Floating rate £'000	Non-interest bearing £'000	Total asset £'000	Total liability £'000
Group					
Cash and cash equivalents	–	4,367	–	4,367	–
Trade and other receivables	–	–	4,487	4,487	–
Total financial assets	–	4,367	4,487	8,854	–
Trade and other payables	–	–	(2,061)	–	(2,061)
Borrowings	(4,323)	–	–	–	(4,323)
Lease financial liability	(1,018)	–	–	–	(1,018)
Total liabilities at amortised cost	(5,341)	–	(2,061)	–	(7,402)

31 December 2018	Fixed rate £'000	Floating rate £'000	Non-interest bearing £'000	Total asset £'000	Total liability £'000
Company					
Cash and cash equivalents	–	2,905	–	2,905	–
Trade and other receivables	–	–	899	899	–
Total financial assets	–	2,905	899	3,804	–
Trade and other payables	–	–	(2,520)	–	(2,520)
Borrowings	–	–	–	–	–
Lease financial liability	–	–	–	–	–
Total liabilities at amortised cost	–	–	(2,520)	–	(2,520)

31 March 2018	Fixed rate £'000	Floating rate £'000	Non-interest bearing £'000	Total asset £'000	Total liability £'000
Group					
Cash and cash equivalents	–	1,004	–	1,004	–
Trade and other receivables	–	–	294	294	–
Total financial assets	–	1,004	294	1,298	–
Trade and other payables	–	–	(279)	–	(279)
Total liabilities at amortised cost	–	–	(279)	–	(279)

31 March 2018	Fixed rate £'000	Floating rate £'000	Non-interest bearing £'000	Total asset £'000	Total liability £'000
Company					
Cash and cash equivalents	–	633	–	633	–
Trade and other receivables	–	–	150	150	–
Total financial assets	–	633	150	783	–
Trade and other payables	–	–	(2,082)	–	(2,082)
Total liabilities at amortised cost	–	–	(2,082)	–	(2,082)

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT cont.

Credit risk exposure

Credit risk predominantly arises from trade receivables, cash and cash equivalents and deposits with banks. Credit risk is managed on a Group basis. External credit checks are obtained for larger customers. In addition, the credit quality of each customer is assessed internally before accepting any terms of trade. Internal procedures take into account the customer's financial position, their reputation in the industry and past trading experience. As a result, the Group's and Company's exposure to bad debts is not significant. Cash and cash equivalents are held with banks with a minimum rating of 'A'.

	Group		Company	
Financial assets	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Trade and other receivables	4,614	305	931	160
Estimated irrecoverable amounts	(127)	(11)	(32)	(11)
	4,487	294	899	149

Movements on the Group and Company's provision for impairment of trade receivables:

	Group		Company	
Financial assets	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
As at start of period	11	5	11	5
Opening provision on acquisition	95	–	–	–
Provision for receivables impairment	21	6	21	6
Receivables written off as uncollectible	–	–	–	–
As at end of period	127	11	32	11

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The Group has determined that trade receviables across different propositions, sectors and countries have similar risk characteristics.

The Group has determined appropriate expected loss rates by considering historical credit losses experienced over a three year period prior to the period end and adjusting these based on current and forward looking information. The Group have identified political and economic uncertainty in its key operating countries as the key macroeconomic factors affecting its customers. Moreover, the Group has applied specific knowledge of its customer base when considering expected loss rates.

As at 31 December 2018, the lifetime expected loss provision for trade receivables is as follows:

	Current £'000	More than 30 days past due £'000	More than 60 days past due £'000	More than 120 days past due £'000	Total £'000
Expected loss rate	1%	3%	10%	50%	
Gross carrying amount	2,366	598	556	60	3,580
Loss provision	23	18	56	30	127

Capital risk management

The Group's objectives when managing capital (i.e. equity and borrowings) are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3. FINANCIAL RISK MANAGEMENT cont.

Foreign currency risk

The Group's policy is not to use forward contracts and therefore none were outstanding at the year end (31 March 2018: None). The following table summarises the Group's sensitivity to translational currency exposures at 31 December 2018.

2018 currency risks expressed in USD/GBP	£'000
Reasonable shift	10%
Impact on profit after tax if USD strengthens against GBP	(31)
Impact on profit after tax if USD weakens against GBP	14
Impact on equity excluding retained earnings if USD strengthens against GBP	(35)
Impact on equity excluding retained earnings if USD weakens against GBP	42

As at period end, the Group's net exposure to foreign exchange risk was as follows:

	Functional currency of individual entity			
	GBP		USD	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Net foreign currency financial assets/(liabilities)				
GBP	–	–	–	–
USD	141	94	–	–
EUR	236	4	–	–
Other	(9)	–	–	–
Total net exposure	368	98	–	–

4. SEGMENTAL ANALYSIS

For executive management purposes, the business has two reportable segments being the Bonhill UK and InvestmentNews. Further analysis of revenue has been performed by core proposition and country.

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Analysis of revenue by core propositions		
Business Information	5,433	670
Live Events	2,080	1,936
Data & Insight	478	–
Total	7,991	2,606
Analysis of revenue by country		
United Kingdom	1,507	2,212
Europe	264	99
United States	6,220	295
Total	7,991	2,606

Of the above total Group revenue, £6.003m relates to revenue generated by InvestmentNews.

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

4. SEGMENTAL ANALYSIS cont.

9 months ended 31 December 2018	Bonhill UK £'000	InvestmentNews £'000	Total £'000
Reportable segmental income statement			
Revenue	1,988	6,003	7,991
Adjusted EBITDA	(662)	1,551	889
Adjusted operating profit/(loss)	(786)	1,452	666
Statutory operating profit/(loss)	(2,353)	379	(1,974)
Statutory profit/(loss) before tax	(2,352)	232	(2,120)

12 months ended 31 March 2018	Bonhill UK £'000	InvestmentNews £'000	Total £'000
Reportable segmental income statement			
Revenue	2,606	-	2,606
Adjusted EBITDA	(393)	-	(393)
Adjusted operating loss	(438)	-	(438)
Statutory operating loss	(964)	-	(964)
Statutory loss before tax	(971)	-	(971)

Revenue from contracts with customers

	Contract assets		Contract liabilities	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
At 1 April	-	-	209	393
Transfers in the period from contract assets to trade receivables	-	-	-	-
Amount included in contract liabilities that was recognised as revenue during the period	-	-	(209)	(393)
Cash received in advance of performance and not recognised as revenue during the period	-	-	1,508	209
At period end	-	-	1,508	209

5. OPERATING LOSS

(a) Operating loss for the year has been arrived at after charging the following items:

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Depreciation of property, plant and equipment	20	6
Amortisation of purchased or internally generated intangible assets	135	39
Share based payment charge	68	-
Foreign exchange (gain) or loss	(149)	-
Operating lease rentals in respect of land and buildings	6	78
Staff costs (see Note 7)	3,192	1,162
Directors' remuneration (see Note 8)	385	384
Events costs	930	931
Print related costs	832	74
Impairment relating to expected credit losses	21	6
Other costs	1,885	364
	7,325	3,044

Other costs include: freelance and contractors, print magazine costs, distribution costs, technology costs, travel and expenditure, marketing and professional fees.

5. OPERATING LOSS cont.

(b) During the year, the following services were obtained from the Group's auditor as detailed below:

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Audit services		
– Recurring fees payable to Company auditor for the audit of parent Company and consolidated accounts	28	29
– Additional fees payable in relation to non-recurring audit work	36	–
Other services		
Fees payable to the company's auditor and its associates for other services:		
– The audit of Company's subsidiaries	32	19
– Corporate finance transaction support in relation to acquisition of InvestmentNews	346	–
– Tax work performed in relation to acquisition of InvestmentNews	82	–

The disclosure of the auditor's remuneration stated above relates to the Company's auditor, BDO LLP, and its associates.

(c) Adjusting items

The Group incurred certain costs in the 12 months ended 31 March 2018 and the 9 month period ended 31 December 2018 which the Directors believe should be disclosed as adjusting items as set out below. Adjusted results are prepared to provide additional relevant information on our future or past performance where equivalent information cannot be presented using financial measures under IFRS.

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Write off relating to intangible assets	–	431
M&A costs (including legal fees)	1,932	82
Integration costs	252	–
Loss on write off relating to software	–	15
Profit on disposal of historic property, plant and equipment	–	(2)
Amortisation of intangibles acquired through business combination	456	–
	2,640	526

The tax effect of the adjusting items is a credit of £0.280m.

6. RECONCILIATION OF ADJUSTED EBITDA TO STATUTORY EARNINGS

Earnings before interest, depreciation and amortisation ("EBITDA") is a measure of earnings and cash generative capacity. Adjusted EBITDA, which excludes non-recurring items, is a non-GAAP financial measure which facilitates an understanding of underlying earnings and cash generative capacity. A reconciliation of Adjusted EBITDA to statutory earnings is set out below.

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Adjusted EBITDA	889	(393)
Adjusting items	(2,184)	(95)
EBITDA	(1,295)	(488)
Depreciation	(20)	(6)
Amortisation and impairment	(591)	(470)
Share option charge	(68)	–
Operating loss	(1,974)	(964)
Net finance costs	(146)	(7)
Loss before tax	(2,120)	(971)
Taxation	280	–
Loss after tax	(1,840)	(971)

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

7. STAFF COSTS

	Group		Company	
	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Staff costs (excluding Directors)				
– Wages and salaries	2,725	1,046	1,019	1,046
– Social security costs	372	106	113	106
– Share based payments charge	68	–	68	–
– Pensions	27	9	12	9
	3,192	1,161	1,212	1,161

Average monthly number of persons employed by the Group:

	Group		Company	
	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Senior management	9	4	9	4
Finance and administration	2	3	2	3
Editorial/design/events	35	12	19	12
Marketing and sales	9	9	4	9
	55	28	34	28

8. DIRECTORS' REMUNERATION

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Emoluments for qualifying services		
N Dowdall (resigned 21 March 2019)	104	165
K Willey (resigned 06 December 2017)	–	5
D Smith (resigned 06 December 2017)	–	65
S Stilwell (appointed 11 August 2017)	123	84
C Riddell (resigned 30 May 2018)	17	40
A Donoghue (appointed 15 November 2017)	19	8
F Gray (appointed 06 December 2017)	19	7
N Sachdev (appointed 06 December 2017)	30	10
D Brown (appointed 29 May 2018)	73	–
	385	384

C Riddell continued to be employed by the Group after his resignation as Director. During this time his emoluments were £0.020m and the related social security was £0.003m.

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Directors' remuneration	385	384
Share based payments	68	–
Social security costs	46	49
Pensions	16	1
Total	515	434

Share-based payment expense is a non-cash item to adjust for the issue of share options. The Board issues share options to Directors and senior management as it is in their opinion the most effective way to align them with the interests of the shareholders.

8. DIRECTORS' REMUNERATION cont.

During the period, the Company made pension contributions of £0.016m on behalf of the Directors (31 March 2018: £0.001m). The pension split is shown below. Some Directors had non-zero pension contributions which are rounded down and these are shown as "0" below. The sum of the unrounded pension contributions rounds to £0.016m.

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
N Dowdall (resigned 21 March 2019)	1	1
K Willey (resigned 6 December 2017)	–	0
S Stilwell	–	–
C Riddell (resigned 30 May 2018)	0	0
A Donoghue	0	0
F Gray	0	0
N Sachdev	–	–
D Brown (appointed 29 May 2018)	14	–
	16	1

No share options were exercised during the period (31 March 2018: nil).

During the period, Directors of the Group subscribed to 1p ordinary shares as follows:

	Number of shares
S Stilwell	125,000
D Brown	375,000
N Dowdall (resigned 21 March 2019)	25,000

Directors' interests in share options

The interests of the Directors in office during the year in share options of the Company are set out in the table below.

	31 March 2018 Number	Granted Number	Forfeited/ lapsed Number	31 December 2018 Number	Exercise price Pence	Exercisable period
N Dowdall	2,500	–	(2,500)	–	360.0	05/08/2010 to 04/08/2020
(resigned 21 March 2019)	1,250	–	(1,250)	–	360.0	28/02/2011 to 04/08/2020
	3,750	–	(3,750)	–	360.0	22/06/2012 to 04/08/2020
	5,000	–	(5,000)	–	320.0	15/02/2015 to 14/02/2021
	6,250	–	(6,250)	–	160.0	27/07/2015 to 26/07/2022
	5,000	–	(5,000)	–	90.0	14/02/2016 to 13/02/2023
	2,500	–	(2,500)	–	185.2	02/04/2017 to 02/04/2024
	12,500	–	(12,500)	–	150.0	30/09/2015 to 30/09/2024
	12,500	–	(12,500)	–	120.0	12/11/2015 to 12/11/2024
	–	156,249	–	156,249	80.0	16/08/2022 to 16/08/2029
		156,249	–	156,249	80.0	16/08/2023 to 16/08/2029
		75,000	–	75,000	1.0	16/08/2022 to 16/08/2023
	–	75,000	–	75,000	1.0	16/08/2023 to 16/08/2024
	51,250			462,498		
S Stilwell	–	156,249	–	156,249	80.0	16/08/2022 to 16/08/2029
	–	156,249	–	156,249	80.0	16/08/2023 to 16/08/2029
	–	376,000	–	376,000	1.0	16/08/2022 to 16/08/2023
	–	376,000	–	376,000	1.0	16/08/2023 to 16/08/2024
	–			1,064,498		
D Brown	–	156,249	–	156,249	80.0	16/08/2022 to 16/08/2029
	–	156,249	–	156,249	80.0	16/08/2023 to 16/08/2029
	–	268,500	–	268,500	1.0	16/08/2022 to 16/08/2023
	–	268,500	–	268,500	1.0	16/08/2023 to 16/08/2024
	–			849,498		

Note that as part of the share re-organisation during the 9 month period, ordinary shares of the Company were consolidated on a 40 to 1 basis. The above share numbers and prices have been adjusted to reflect this for comparability.

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

9. FINANCE COSTS

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Interest payable on bank loan and overdrafts	(131)	(7)
Interest payable on lease financial liability	(15)	-
	(146)	(7)

10. INCOME TAX

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
UK current tax (charge)/credit	-	-
US current tax (charge)/credit	(73)	-
Total current tax	(73)	-
Deferred tax on goodwill	(86)	-
Deferred tax on other intangibles	109	-
Deferred tax on UK losses	86	
Deferred tax on US losses	244	-
Total deferred tax	353	-
	280	-

Corporation tax on UK profits is calculated at 19.00% (31 March 2018: 19.00%) of the estimated assessable profit for the year. Corporation tax on US profits is calculated at 26.10% (31 March 2018: N/A) of the estimated assessable profit for the year.

The tax charge for the year can be reconciled to the loss before tax per the consolidated statement of comprehensive income as follows:

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Factors affecting the tax charge for the year:		
Loss before taxation	(2,120)	(971)
Loss before tax multiplied by the standard rate of corporation tax in the UK of 19.00%	(403)	(184)
Effects of:		
Profits taxed at US rate of 26.1%	(20)	-
Other expenses not deductible for tax purposes	147	95
Capital allowances	(27)	(6)
Difference in tax rates on deferred tax	(66)	-
Tax losses carried forward	106	95
Other effects including foreign exchange differences	(17)	-
Total tax charge	(280)	-

10. INCOME TAX cont.

Deferred and current tax assets and liabilities can be reconciled as follows:

	Group £'000	Company £'000
Deferred tax assets as at 1 April 2018	–	–
Deferred tax asset on recoverable UK losses	86	170
Deferred tax asset on recoverable US losses	244	–
Effect of foreign exchange revaluation	3	–
Deferred tax assets as at 31 December 2018	**333**	**170**

	£'000	£'000
Deferred tax liabilities as at 1 April 2018	–	–
Deferred tax liability on acquisition	(2,442)	–
Deferred tax differences on goodwill and other intangibles	23	–
Effect of foreign exchange revaluation	(4)	–
Deferred tax liabilities as at 31 December 2018	**(2,423)**	**–**
Net deferred tax assets/(liabilities)	**(2,090)**	**170**

	£'000	£'000
Current tax liability as at 1 April 2018	–	–
Current tax charge	(73)	–
Effect of foreign exchange revaluation	–	–
Current tax liability as at 31 December 2018	**(73)**	**–**

The Group has recognised deferred tax assets in relation to losses to the extent that the Directors anticipate it is probable that taxable profits will be available in the next 3 years against which the temporary differences can be utilised. The Group has unrecognised tax losses of £7.139m.

11. EARNINGS PER SHARE

(a) Basic earnings per share

Basic loss per share is calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

Based on statutory earnings

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Loss attributable to owners of the parent	(1,840)	(971)
Weighted average number of ordinary shares in issue	19,355,302	3,623,656
Basic earnings per share (pence per share)	(9.51p)	(26.79p)
Basic earnings per share (pence per share) – as previously stated	–	(0.67p)
Effect of share re-organisaton on EPS	–	(26.12p)

Based on adjusted earnings

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Profit attributable to owners of the parent	520	(445)
Weighted average number of ordinary shares in issue	19,355,302	3,623,656
Basic earnings per share (pence per share)	2.69p	(12.29p)
Basic earnings per share (pence per share) – as previously stated	–	(0.35p)
Effect of share re-organisaton on EPS	–	(11.94p)

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

11. EARNINGS PER SHARE cont.
(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Based on statutory earnings

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Loss attributable to owners of the parent	(1,840)	(971)
Weighted average number of ordinary shares in issue	19,355,302	3,623,656
Dilutive effect of "in the money" share options	–	2,500
Diluted ordinary shares	19,355,302	3,626,156
Diluted earnings per share (pence per share)	(9.51p)	(26.77p)
Diluted earnings per share (pence per share) – as previously stated	–	(0.67p)
Effect of share re-organisaton on EPS	–	(26.10p)

12. INTANGIBLE ASSETS

Group	Website development costs £'000	Software £'000	Publishing rights £'000	Brand £'000	Customer relationships £'000	Sub-total £'000	Goodwill £'000	Total £'000
Cost								
31 March 2017	490	258	1,810	–	–	2,558	1,038	3,596
Additions (external)	8	–	–	–	–	8	–	8
Write off relating to intangible assets	–	(240)	(648)	–	–	(888)	(472)	(1,360)
31 March 2018	498	18	1,162	–	–	1,678	566	2,244
Additions (external)	44	–	–	–	–	44	–	44
Additions at acquisition	–	–	–	3,618	5,720	9,338	13,368	22,706
Foreign exchange movement	–	–	–	6	10	16	23	39
31 December 2018	542	18	1,162	3,624	5,730	11,076	13,957	25,033
Amortisation and impairment								
31 March 2017	387	241	1,056	–	–	1,684	309	1,993
Amortisation charge for the year	38	1	58	–	–	97	–	97
Write off relating to intangible assets	–	(225)	(441)	–	–	(666)	(307)	(973)
31 March 2018	425	17	673	–	–	1,115	2	1,117
Amortisation charge for the year	36	1	43	129	284	493	–	493
Foreign exchange movement	–	–	–	2	5	7	–	7
31 December 2018	461	18	716	131	289	1,615	2	1,617
Net book value								
31 December 2018	81	–	446	3,493	5,441	9,461	13,955	23,416
31 March 2018	73	1	489	–	–	563	564	1,127

12. INTANGIBLE ASSETS cont.

Company	Website development costs £'000	Software £'000	Publishing rights £'000	Sub-total £'000	Goodwill £'000	Total £'000
Cost						
31 March 2017	376	245	1,266	1,887	570	2,457
Additions (external)	8	–	–	8	–	8
Write off relating to intangible assets	–	(240)	(640)	(880)	(462)	(1,342)
31 March 2018	384	5	626	1,015	108	1,123
Additions (external)	35	–	–	35	–	35
31 December 2018	**419**	**5**	**626**	**1,050**	**108**	**1,158**
Amortisation and impairment						
31 March 2017	273	227	778	1,278	296	1,574
Amortisation charge for the year	38	2	31	71	–	71
Write off relating to intangible assets	–	(225)	(433)	(658)	(296)	(954)
31 March 2018	311	4	376	691	–	691
Amortisation charge for the year	35	1	23	59	–	59
Write off relating to intangible assets	–	–	–	–	–	–
31 December 2018	**346**	**5**	**399**	**750**	**–**	**750**
Net book value						
31 December 2018	**73**	**–**	**227**	**300**	**108**	**408**
31 March 2018	73	1	250	324	108	432

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	**31 December 2018 £'000**	31 March 2018 £'000
Goodwill				
Investor Allstars	**108**	108	**108**	108
Growth Company Investor Ltd	**42**	42	**–**	–
Information Age Media Ltd	**414**	414	**–**	–
InvestmentNews LLC	**13,391**	–	**–**	–
	13,955	564	**108**	108

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	**31 December 2018 £'000**	31 March 2018 £'000
Publishing rights				
What Investment	**227**	250	**227**	250
Growth Company Investor Ltd	**2**	3	**–**	–
Information Age Media Ltd	**217**	236	**–**	–
	446	489	**227**	250

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

12. INTANGIBLE ASSETS cont.

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Brand				
InvestmentNews	3,493	–	–	–
	3,493	–	–	–

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Customer relationships				
InvestmentNews	5,441	–	–	–
	5,441	–	–	–

The Group tests for impairment at each reporting date. If there are indicators of impairment, then other intangible assets are also tested for impairment at each reporting date.

The recoverable amounts are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and direct costs. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the Group. The growth rates are based on a combination of industry growth forecasts and specific business plans for the Group. Changes in direct costs are based on past practices and expectations of future changes.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for a period of 12 months and extrapolates cash for a further 48 months.

The rate used to discount the forecast cash flows was 14% (31 March 2018: 11%). The growth rate used in the cash flow forecast was 2% (31 March 2018: 4%).

Software and website development costs amortise over 3 years.

Publishing rights – useful economic life	Held by	Total UEL	Remaining UEL
What Investment	Company	20	7
Growth Company Investor Ltd	Group	20	4
Information Age Media Ltd	Group	20	8

Brands – useful economic life	Held by	Total UEL	Remaining UEL
InvestmentNews	Group	10	10

Customer relationships – useful economic life	Held by	Total UEL	Remaining UEL
InvestmentNews	Group	7	7

Note that the Tax Amortisation Benefit of the InvestmentNews brand and customer relationships will be amortised over 15 years.

13. PROPERTY, PLANT AND EQUIPMENT

	Fixtures, fittings and equipment	
	Group £'000	Company £'000
Cost		
1 April 2017	241	205
Additions	32	32
Disposals	(232)	(196)
1 April 2018	41	41
Additions	92	75
At acquisition	19	–
Disposals	–	–
31 December 2018	**152**	**116**
Depreciation		
1 April 2017	234	198
Charge for the year	6	6
Disposals	(234)	(198)
1 April 2018	6	6
Charge for the year	21	17
Disposals	–	–
31 December 2018	**27**	**23**
Net book value		
31 December 2018	**125**	**93**
31 March 2018	35	35

14. INVESTMENTS

Company	Subsidiary undertakings £'000
Cost	
1 April 2018	888
Additions	17,071
31 December 2018	**17,959**
Impairment	
Brought forward 1 April 2018	10
Current year impairment	–
31 December 2018	**10**
Net book value	
31 December 2018	**17,949**
31 March 2018	878

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

14. INVESTMENTS cont.

The company holds 100% of the issued ordinary share capital and voting rights of the following subsidiary undertakings which have been included in the consolidated accounts.

Company	Principal activity	Registered office
Growth Company Investor Ltd	Online, print publishing & events for investors and entrepreneurs	14 Bonhill Street, London, EC2A 4BX
Information Age Media Ltd	Monthly publication and events for IT professionals	14 Bonhill Street, London, EC2A 4BX
Bonhill Finance Ltd	Financing arm of the Group	14 Bonhill Street, London, EC2A 4BX
Bonhill Group Inc.	Holding company for InvestmentNews LLC	251 Little Falls Drive, Wilmington, Delaware, 19808-1674
InvestmentNews LLC	Online, print publishing & events for US IFAs	251 Little Falls Drive, Wilmington, Delaware, 19808-1674

Growth Company Investor Ltd, Information Age Media Ltd and Bonhill Finance Ltd are incorporated in England and Wales. Bonhill Group Inc. is incorporated in the USA.

Bonhill Finance Ltd and Bonhill Group Inc. were incorporated in the 9 month period ending 31 December 2018 as part of the transaction to acquire InvestmentNews. See Note 22 for more details on the acquisition.

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Trade receivables	3,580	218	242	124
Provision for impairment of trade receivables	(127)	(11)	(32)	(11)
	3,453	207	210	113
Other receivables	1,034	87	47	36
Prepayments and accrued income	352	21	66	20
Deferred expenses	231	22	23	7
Taxation and social security	208	–	208	–
Amounts owed from subsidiary undertakings	–	–	642	–
	5,278	337	1,196	176

The Group's financial assets are short term in nature. In the opinion of the Directors, the carrying values equate to their fair values. Included within Taxation and social security is a VAT receivable position of £0.208m.

16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following for the purposes of the cash flow statement.

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Cash and cash equivalents	4,367	1,004	2,905	633

17. CALLED UP SHARE CAPITAL

Issued and fully paid ordinary shares of 1p each.

	Number	£'000
As at 31 March 2017	64,561,632	646
Shares issued during the 12 month period	107,500,000	1,075
As at 31 March 2018	172,061,632	1,721
Administrative issue of shares	8	–
Impact of 40:1 share re-organisation	(167,760,099)	(1,678)
Shares issued during the 9 month period	29,998,437	300
As at 31 December 2018	**34,299,978**	**343**

Deferred shares of 9p each

	Number	£'000
As at 31 March 2018	25,603,787	2,304
Impact of 40:1 share re-organisation	18,640,011	1,678
Cancellation of deferred shares	(44,243,798)	(3,982)
As at 31 December 2018	**–**	**–**

Issue of shares

The Company issued 6,250,000 ordinary shares with a par value of 1p per share and for a price per share of 80p on 16/08/2018. The Company issued 23,748,437 ordinary shares with par value of 1p per share and for a price per share of 80p on 17/08/2018. 3,815,338 of the shares issued on 17/08/2018 were to Crain Communications Inc. as part of the acquisition – see Note 22. In addition, included within shares issued on 17/08/2018 were share issue costs and deal fees which were settled in shares resulting in a significant non-cash share based payment of £0.400m.

The total number of authorised shares is equal to the total number of issued shares.

Rights of shares

Dividends and income – Deferred shares are not entitled to any income or dividend. Ordinary shares are entitled to receive dividends as approved by the Board of Directors.

Voting rights – Deferred shares are not entitled to any vote. Ordinary shares are entitled to one share per vote at General Meetings. Deferred shares cannot be transferred.

Distribution – Upon liquidation of the Company, once all liabilities have been met, ordinary shareholders will receive the value paid up per share plus £100. Deferred shareholders will then receive the amounts paid up on each share. Any remaining funds will be shared amongst ordinary shareholders.

Deferred shares

During the 9 month period, all the deferred shares of the Company were transferred to the Company for nil consideration and cancelled in line with s659(1) of the Companies Act 2006. The related share capital has been transferred to a Capital Redemption Reserve sitting within Other Reserves.

The Company has granted options to subscribe for ordinary shares of 1p each, as follows:

			Number of shares for which rights are exercisable	
Grant date	Subscription price per share	Period within which options are exercisable	31 December 2018	31 March 2018
05.08.2010	360.0p	05.08.2010 – 04.08.2020	–	2,500
05.08.2010	360.0p	28.02.2010 – 04.08.2020	–	1,250
05.08.2010	360.0p	22.06.2012 – 04.08.2020	–	3,750
15.02.2011	320.0p	15.02.2015 – 14.02.2021	–	10,000
27.07.2012	160.0p	27.07.2015 – 26.07.2022	–	6,250
14.02.2013	90.0p	14.02.2016 – 13.02.2023	–	5,000
01.04.2014	185.2p	02.04.2017 – 02.04.2024	–	3,750
30.09.2014	150.0p	30.09.2015 – 30.09.2024	–	12,500
12.11.2014	120.0p	12.11.2015 – 12.11.2024	–	18,125
16.08.2018	80.0p	16/08/2022 – 16/02/2029	781,245	–
16.08.2018	80.0p	16/08/2023 – 16/02/2029	781,245	–
16.08.2018	1.0p	16/08/2022 – 16/02/2023	998,500	–
16.08.2018	1.0p	16/08/2023 – 16/02/2024	998,500	–
			3,559,490	63,125

During the 9 month period, 513,478 share options were forfeited (12 months ended 31 March 2018: 11,875).

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

17. CALLED UP SHARE CAPITAL cont.

Share re-organisation

Note that as part of the share re-organisation during the 9 month period, ordinary shares of the Company were consolidated on a 40 to 1 basis. The above share numbers and prices have been adjusted to reflect this for comparability.

Share premium

The share premium account shows the amount subscribed for share capital in excess of nominal value, net of share issue costs.

	£'000
Share premium as at 31 March 2018	4,315
Subscription of share capital in excess of nominal value	23,699
Share issue costs	(1,299)
Share premium as at 31 December 2018	**26,715**

18. EQUITY-SETTLED SHARE OPTION SCHEMES

As part of the share re-organisation during the 9 month period, ordinary shares of the Company were consolidated on a 40 to 1 basis. The comparatives below have been adjusted to reflect this.

With effect from 17 August 2018, the Group operates two types of share-based payment arrangement as part of the senior management long-term incentive plan. Previous arrangements have been forfeited. The general terms of the schemes are set out in the Remuneration Committee report on page 27. All are equity settled.

The fair value of the equity-settled options are estimated using the Monte Carlo valuation method. The fair value of the grants and model inputs used to calculate the fair values of grants during the year were as follows:

	9 month period ended 31 December 2018	
	Option scheme	Value creation plan
Weighted average share price	84p	84p
Exercise price	80p	1p
Annual TSR performance hurdle	7%	10%
Expected dividend yield	1%	1%
Risk-free rate of return	1.25%	1.25%
Expected volatility	30%	30%
Average expected life (years)	6.75	3.5
Weighted average fair value of grants during the year	18.2p	17.0p

Expected volatility is based on share price volatility of similar listed companies. Expected life of options has been taken as the mid-point of the relevant exercise period. This is not necessarily indicative of future exercise patterns.

No other feature of the equity instruments granted was incorporated into the fair value measurement.

Details of the number of share options and the weighted average exercise price ("WAEP") during the period are as follows:

	9 months ended 31 December 2018		12 months ended 31 March 2018	
	No.	WAEP	No.	WAEP
Outstanding at the beginning of the year	51,250	192.0p	63,125	196.0p
Forfeited during the year	(513,748)	51.3p	(11,875)	212.0p
Granted during the year	4,021,988	35.7p	-	-
Outstanding at the end of the year	3,559,490	35.7p	51,250	192.0p
Exercisable at the end of the year	-	-	51,250	192.0p

The market price of the Company's shares on 31 December 2018 was 82.0p (31 March 2018: 130.0p). The average remaining contractual life is 8.6 years (31 March 2018: 4.3 years).

Options granted have a vesting period of between 3 and 4 years. The exercise of options will normally be conditional on the holder being in the Group's employment at the end of the vesting period.

The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous periods.

18. EQUITY-SETTLED SHARE OPTION SCHEMES cont.

The share based remuneration charge for the period comprises:

	9 months ended 31 December 2018 £'000	12 months ended 31 March 2018 £'000
Share option charge	68	–
Employer NICs on share options	9	–

19. TRADE AND OTHER PAYABLES

	Group		Company	
	31 December 2018 £'000	31 March 2018 £'000	31 December 2018 £'000	31 March 2018 £'000
Trade payables	644	110	194	66
Taxation and social security	155	52	103	209
Other payables	12	35	4	12
Accruals	1,405	134	146	77
Deferred income	1,508	209	103	109
Amounts owed to subsidiary undertakings	–	–	2,176	1,927
	3,724	540	2,726	2,400

The Group's financial liabilities are short term in nature. In the opinion of the Directors, the carrying values equate to their fair values.

20. BORROWINGS

Group borrowings consists only of a vendor loan held with Crain Communications Inc as part of the funding of the acquisition of InvestmentNews. This loan is not held by the Company.

	Group	
	31 December 2018 £'000	31 March 2018 £'000
Loan	4,323	–

The weighted average interest rate on this loan was 6.69% since inception.

The interest-bearing loans are repayable as follows:

	Group	
	31 December 2018 £'000	31 March 2018 £'000
Within one year	1,622	–
Between one and two years	1,622	–
Between two and five years	1,079	–
Total	4,323	–

Total fees relating to the loan amounted to £0.138m and these are being amortised over the term of the loan. The loan and interest are guaranteed by the Company.

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

21. RIGHT-OF-USE ASSET

The Group have chosen to early adopt IFRS 16 and therefore recognise a right-of-use asset and lease liability.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a term of 12 months or less.

In applying the modified retrospective approach, the Group has taken advantage of the following practical expedients:

- Leases with a remaining term of 12 months or less from the date of application have been accounted for as short-term leases (i.e. not recognised on the balance sheet) even though the initial term of the leases from lease commencement date may have been more than 12 months.

No right-of-use asset has been recognised in relation to the Company lease due to its remaining term of less than 12 months. Refer to Note 24 for further details.

The Group did not have any leases requiring recognition under IFRS 16 in the prior year.

Right-of-use asset	£'000
Carrying value as at 1 April 2018	-
Additions to right of use assets	1,066
Amortisation charged	(98)
Foreign exchange impact of revaluation	-
Carrying value as at 31 December 2018	**968**

Lease liability	£'000
Carrying value as at 1 April 2018	-
Additions to lease liability	1,066
Interest charged	15
Repayments made	(65)
Foreign exchange impact of revaluation	2
Carrying value as at 31 December 2018	**1,018**

The rent in relation to leases recognised is fixed over the lease term.

22. ACQUISITION OF INVESTMENTNEWS

On 17 August 2018 the Group acquired 100% of InvestmentNews, a US-based news, information and events business for a net consideration of £12.867m cash, a £4.720m vendor loan and £3.052m taken as equity. This equity consisted of 3,815,338 shares at a 80p per share. The principal reason for this acquisition was to enhance the Group's market-leading position and further develop the Group's events and data propositions.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

Fair value of assets acquired	Book value £'000	Fair value adjustments £'000	Total £'000
Property, plant and equipment	-	19	19
Intangibles	-	9,338	9,338
Trade receivables	2,217	-	2,217
Other receivables/prepayments	135	(51)	84
Trade payables	(581)	-	(581)
Other payables/accruals	(1,324)	-	(1,324)
Provisions	(40)	-	(40)
Deferred tax liability	-	(2,442)	(2,442)
Fair value of net assets acquired	**407**	**6,864**	**7,271**
Goodwill			13,368
Consideration			**20,639**

Goodwill is attributable to the synergies expected to arise in integrating the operations into the wider Group. Intangibles included brands and customer relationships which will be amortised over a period of 10 and 7 years respectively. US intangibles, including goodwill, are expected to be deductible for tax purposes.

Trade receivables were £2.217m net of irrecoverable debt provisions at acquisition of £0.095m.

22. ACQUISITION OF INVESTMENTNEWS cont.

The consideration comprised:

	£'000
Cash consideration	12,867
Shares	3,052
Vendor loan	4,720
	20,639

Included within the Group's results for the 9 month period are contributions of £6.003m to revenue, £1.551m to adjusted EBITDA (excluding deal fees, associated integration costs and acquired intangible amortisation as detailed in Note 5) and £0.232m to statutory profit before tax from InvestmentNews LLC. If the acquisition had been completed on the first day of the financial period, it would have contributed £11.667m to revenue and £3.601m to adjusted EBITDA (excluding deal fees, associated integration costs, acquired intangible amortisation and overheads allocated by the vendor company). It is not possible for the Group to disclose what the statutory profit before tax would have been as the acquisition was an equity carve-out. It is therefore not possible for the Directors to accurately determine what the overheads contribution and financing implications would have been of an earlier acquisition.

23. RELATED PARTY TRANSACTIONS

Group and Company

There is no ultimate controlling party.

Key management compensation

No individuals other than the Directors meet the definition of key management personnel. Details of key management personnel compensation is disclosed in Note 8.

Transactions/balances with Directors

Further details are disclosed in Note 8 and Note 18.

Company

Transactions with subsidiary companies during the 9 month period ended 31 December 2018 and the 12 month period ended 31 March 2018 were as follows:

Bonhill Group plc cross charges of costs to Growth Company Investor Ltd £nil (March 2018: £0.303m).

Bonhill Group plc cross charges of costs to Information Age Media Ltd £nil (March 2018: £0.464m).

Bonhill Group plc cross charges of costs to InvestmentNews LLC of £1.293m (March 2018: £nil).

At the balance sheet date, the following balances were outstanding:

	9 month period ended 31 December 2018 £'000	12 month period ended 31 March 2018 £'000
Loans due (to)/from subsidiary companies		
Growth Company Investor Ltd	(661)	(713)
Information Age Media Ltd	(1,515)	(1,214)
Bonhill Finance Limited	368	–
InvestmentNews LLC	274	–
	(1,534)	(1,927)

Notes to the financial statements cont.
for the 9 month period ended 31 December 2018

24. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Lease commitments

At 31 December 2018, the Group had the following total future lease payments under non-cancellable operating leases less than 1 year. This is a lease which is being expensed under the short term lease expedient on transition to IFRS 16.

	£'000
Future lease payments	82

(b) Contingent liabilities

There are no contingent liabilities expected to result in a material loss for the Group.

The Company is included in a Group registration for VAT purposes and is therefore jointly and severably liable for all other Group companies' unpaid debt in this connection.

The Company guarantees the loan from Crain Communications Inc. held by the subsidiary InvestmentNews LLC.

(c) Capital commitments

There were no material capital commitments as at 31 December 2018 (March 2018: £nil).

25. EVENTS AFTER THE REPORTING DATE

No material post reporting date events have been identified.

Directors and advisers

Directors

Neil Sachdev, Chairman	
Simon Stilwell, Chief Executive	
David Brown, Group Finance Director	(appointed 29 May 2018)
Nicola Dowdall, Managing Director of Events and Marketing	(resigned 21 March 2019)
Anne Donoghue, Non-executive Director	
Fraser Gray, Non-executive Director	
Charles Riddell, Finance Director	(resigned 30 May 2018)

Secretary
Louise Park

Registered Office
14 Bonhill Street, London, EC2A 4BX

Company Number
02607995

Registrars
Share Registrars Ltd, 27-28 Eastcastle Street, London, W1W 8DH

Bankers
Lloyds Banking Group, 39 Threadneedle Street, London, EC2R 8AU

Auditor
BDO LLP, 55 Baker Street, London, W1U 7EU

AIM Broker and Nominated Adviser
Stockdale Securities Limited, 100 Wood Street, London, EC2V 7AN

Joint Broker
Canaccord Genuity Limited, 88 Wood Street, London, EC2V 7QR

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