

IML GROUP PLC
FINANCIAL STATEMENTS
31 MARCH 2015

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IML GROUP PLC
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

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IML GROUP PLC
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	P N Jago S Jago
Company secretary	P N Jago
Registered office	Blair House 184/186 High Street Tonbridge Kent TN9 1BE
Auditor	Shipleys LLP Chartered Accountants & Statutory Auditor 10 Orange Street Haymarket London WC2H 7DQ

IML GROUP PLC

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2015

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of IML Group plc during the year was that of a holding company. The principal activity of the Group as a whole during the year was the publication of business magazines, the provision of business information services and the organisation of related events.

Business review:

A year adversely affected more by staffing issues than economic conditions, saw turnover fall by 1% (2014: grew by 4%). This fact disguises an exemplary improvement in the events operations which helped move non print revenues ever closer to the 50/50 share that is our aim.

Most of our titles enjoyed continuing growth in income derived from soft media products and for the first time in some years, half our titles produced an increase in print display revenue.

Three of the products posting display space growth this year also delivered year on year reductions in soft media sales, suggesting that we are still some way from delivering a fully integrated sales offering in every sector we serve.

The illness of key sales people on only a couple of titles underscored the need to be active and available in every market. However good the sales pitch, more calls make more money. Absence only lets the business wander. Operating with lean teams, one person down for any length of time costs revenue and profit as our performance this year shows.

While most production costs have remained at the levels of last year, the distribution of titles appears to be a constantly growing element. In the UK, Royal Mail's new freedom to apply increases to the previously protected magazine world apparently at will, has seen costs increase ten percent. Given that carriage per annum runs at twice the level of printing, four times that of paper and accounts for typically 50% of magazine production costs, it's small wonder that publishers are seeking alternative suppliers and methods of delivery.

Staffing and departmental costs were maintained at close to last year's levels and the Company continues to benefit from a talented workforce committed to providing business intelligence that interests, informs and involves its progressive audiences.

Key performance indicators:

(i) Turnover: Number of sales staff; 2015 - £242,153 per sales staff (2014 - £244,523 per sales staff). (ii) Debt collection period; 2015 - 64 days (2014 - 66 days). (iii) Gross profit margin; 2015 - 24% (2014 - 26%).

FUTURE DEVELOPMENTS

June '14 saw the first issue of Inavate APAC, launched through a subsidiary of IML Group PLC based in Singapore and the latest addition to IML's commercial audio/visual portfolio of assets that now cover the UK, Europe, the Middle East, Africa, Asia, Oceania and Russia.

It has been well received by the multi national AV community but will take some time to gain full acceptance amongst its reader/user audience in this disparate region. It is expected to be in net profit by year three and is a strategic investment in what is expected to be the world's biggest market for commercial audio visual integration, equipment and services by 2020.

In November 2014 IML acquired the publishing rights to Hidden Wires - the on line magazine or custom installed home automation and entertainment in EMEA. A new web site is being developed which will improve the image and capability of the site and increase revenue

IML GROUP PLC
STRATEGIC REPORT *(continued)*
YEAR ENDED 31 MARCH 2015

opportunities. Its acquisition takes IML into the consumer end user market and expands the offering we can make to new and established customers operating in the burgeoning audio visual markets.

Asset growth in the Group has been by launch and licence in recent times and while there are a number of projects currently in development, this approach is inevitably slower than the acquisition route. A number of sectors and target titles have been identified and potential funding opportunities explored. Vendor value perception remains the biggest obstacle to acquisitions but our requirement for a five year return on investment should ensure that such growth does not come at inflated prices.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the board of directors. The Group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group manages this risk by retaining foreign currency to settle liabilities in that currency. The Group does not use foreign exchange forward contracts and interest rate swap contracts to hedge these exposures since they are not considered to be material.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

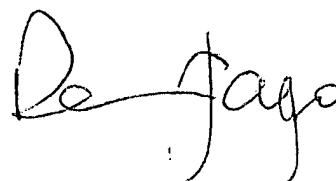
Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Signed on behalf of the directors

P N JAGO
Director



Approved by the directors on

27/10/15

IML GROUP PLC
DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements of the group for the year ended 31 March 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £10,862. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

Details of the company's financial risk management objectives and policies are included in note 18 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

P N Jago
S Jago

POLICY ON THE PAYMENT OF CREDITORS

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment; by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 59 days purchases (2014: 61 days).

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year.

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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

IML GROUP PLC

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

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

STRATEGIC REPORT

A Strategic Report is included in these accounts in accordance with section 414C(11) of the Companies Act 2006.

AUDITOR

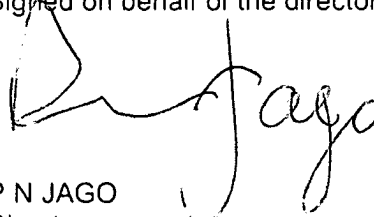
Shipleys LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all 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.

Registered office:
Blair House
184/186 High Street
Tonbridge
Kent
TN9 1BE

Signed on behalf of the directors



P N JAGO
Director

Approved by the directors on

27/10/15

IML GROUP PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
IML GROUP PLC
YEAR ENDED 31 MARCH 2015

We have audited the group and parent company financial statements ("the financial statements") of IML Group Plc for the year ended 31 March 2015 which comprise the Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Company Balance Sheet, Group Cash Flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 to 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

IML GROUP PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IML GROUP PLC *(continued)*

YEAR ENDED 31 MARCH 2015

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

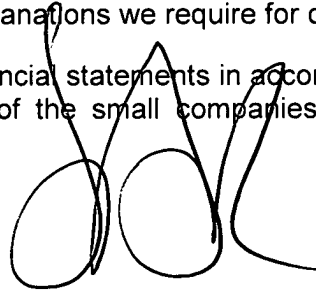
In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



STEPHEN RYMAN (Senior Statutory Auditor)

For and on behalf of
SHIPLEYS LLP
Chartered Accountants
& Statutory Auditor

27/10/15

10 Orange Street
Haymarket
London
WC2H 7DQ

IML GROUP PLC
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2015

		2015	2014 (restated)
	Note	£	£
GROUP TURNOVER	2	3,390,144	3,423,323
Cost of sales		(2,553,286)	(2,519,919)
GROSS PROFIT		836,858	903,404
Administrative expenses		(742,803)	(590,580)
OPERATING PROFIT	3	94,055	312,824
Interest receivable		—	21
Interest payable and similar charges	6	(68,794)	(80,708)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		25,261	232,137
Tax on profit on ordinary activities	7	(14,399)	(28,336)
PROFIT FOR THE FINANCIAL YEAR	8	10,862	203,801

All of the activities of the group are classed as continuing.

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account.

The notes on pages 13 to 27 form part of these financial statements.

IML GROUP PLC
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 MARCH 2015

	2015	2014 <i>(restated)</i>
	£	£
Profit for the financial year attributable to the shareholders of the parent company	10,862	203,801
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	10,862	203,801
Prior year adjustment (see note 10)	<u>1,282,394</u>	<u>(2,801,888)</u>
Total gains and losses recognised since the last annual report	<u><u>1,293,256</u></u>	<u><u>(2,598,087)</u></u>

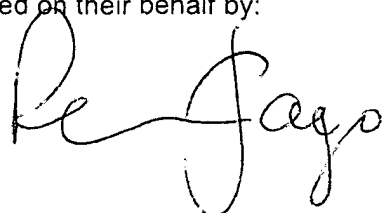
The notes on pages 13 to 27 form part of these financial statements.

IML GROUP PLC
GROUP BALANCE SHEET
31 MARCH 2015

		2015		2014 (restated)	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	11		719,687		740,871
CURRENT ASSETS					
Stocks	13	43,931		40,956	
Debtors	14	716,995		714,716	
Cash at bank		83,876		170,198	
		<u>844,802</u>		<u>925,870</u>	
CREDITORS: Amounts falling due within one year	16	<u>(1,216,824)</u>		<u>(1,376,746)</u>	
NET CURRENT LIABILITIES			<u>(372,022)</u>		<u>(450,876)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>347,665</u>		<u>289,995</u>
CREDITORS: Amounts falling due after more than one year	17		<u>(593,151)</u>		<u>(546,343)</u>
			<u>(245,486)</u>		<u>(256,348)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	22		776,863		776,863
Profit and loss account	23		<u>(1,022,349)</u>		<u>(1,033,211)</u>
DEFICIT	24		<u>(245,486)</u>		<u>(256,348)</u>

These accounts were approved by the directors and authorised for issue on and are signed on their behalf by:

P N JAGO



27/10/15

The notes on pages 13 to 27 form part of these financial statements.

IML GROUP PLC

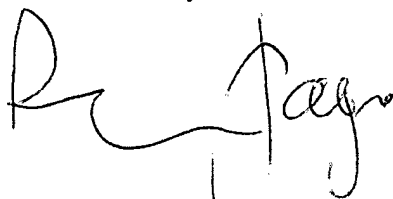
BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Investments	12	2,229,204	2,228,723
CREDITORS: Amounts falling due within one year	16	(7,764)	(134,173)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,221,440</u>	<u>2,094,550</u>
CREDITORS: Amounts falling due after more than one year	17	(1,444,576)	(1,317,686)
		<u>776,864</u>	<u>776,864</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	776,863	776,863
Profit and loss account	23	1	1
SHAREHOLDERS' FUNDS		<u>776,864</u>	<u>776,864</u>

These accounts were approved by the directors and authorised for issue on and are signed on their behalf by:

27/10/15



P N JAGO

Company Registration Number: 2416272

The notes on pages 13 to 27 form part of these financial statements.

IML GROUP PLC
GROUP CASH FLOW
YEAR ENDED 31 MARCH 2015

		2015		2014 (restated)	
	Note	£	£	£	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	25		(51,260)		301,914
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	25		(68,794)		(80,687)
TAXATION	25		(28,336)		(27,215)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	25		(1,753)		(73,678)
EQUITY DIVIDENDS PAID			—		(58,507)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING			(150,143)		61,827
FINANCING	25		75,844		(5,858)
(DECREASE)/INCREASE IN CASH	25		<u>(74,299)</u>		<u>55,969</u>

The notes on pages 13 to 27 form part of these financial statements.

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practise), which have been applied consistently (except as otherwise stated).

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2015.

At the date of signing IML Group plc financial statements the financial statements for IML Group Asia PTE. Ltd were still in the process of being finalised. Therefore the consolidated accounts have been prepared to incorporate the the draft financial statements of IML Group Asia PTE. Ltd, which are not expected to be material different to the final signed accounts.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts, turnover being recognised on month of publication.

Exhibition

Profits on exhibitions are taken to the profit and loss account in the period of the exhibition. Where costs in respect of an exhibition are incurred in a period prior to the exhibition, such amounts are taken to the profit and loss account in the period in which they arise unless there is reasonable certainty that the exhibition will result in a profit.

Fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation

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

Fixtures & Fittings	- 20% straight line
Equipment	- 20% straight line

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks

Stock is valued at the lower of cost and net realisable value.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

During the year the group operated two separate defined contribution pension schemes for the directors and staff. The staff scheme is closed and a new stakeholder scheme has been set up for employees. The pension costs charged in the financial statements represent the contributions payable by the group during the year.

Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to market value as the company does not intend to sell the revalued assets.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

IML GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Going concern

The financial statements have been prepared on a going concern basis as the company itself has a positive balance sheet. The consolidated balance sheet shows an excess of liabilities over the assets of the group as a result of losses incurred by its subsidiary in Singapore which is a start up business. This company is expected to be profitable within three years. The group has assurance from the director that he will continue to give financial support to the group for the next twelve months and will not call for repayment of his loans until the group is in a position to do so.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2015	2014 <i>(restated)</i>
	£	£
United Kingdom	2,579,665	2,787,996
Europe	447,448	407,849
Other	363,031	227,478
	<u>3,390,144</u>	<u>3,423,323</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2015	2014 <i>(restated)</i>
	£	£
Depreciation of owned fixed assets	22,937	25,006
Operating lease costs:		
- Plant and equipment	3,041	4,305
- Other	81,297	64,000
Net profit on foreign currency translation	(1,184)	–
Auditor's remuneration - audit of the financial statements	10,000	10,000
Auditor's remuneration - other fees	<u>34,730</u>	<u>45,507</u>
	2015	2014 <i>(restated)</i>
	£	£
Auditor's remuneration - audit of the financial statements	<u>10,000</u>	<u>10,000</u>
Auditor's remuneration - other fees:		
- Local statutory audit of subsidiary	11,958	10,000
- Taxation services	9,500	9,500
- Non- audit work	<u>13,272</u>	<u>26,007</u>
	<u>34,730</u>	<u>45,507</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2015	2014 <i>(restated)</i>
	No	No
Administration	9	9
Editorial	11	9
Advertising sales	14	14
Directors	4	2
	<u>38</u>	<u>34</u>

The aggregate payroll costs of the above were:

	2015	2014 <i>(restated)</i>
	£	£
Wages and salaries	1,238,424	1,201,667
Social security costs	121,246	127,297
Other pension costs	94,585	81,366
	<u>1,454,255</u>	<u>1,410,330</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015	2014 <i>(restated)</i>
	£	£
Remuneration receivable	102,562	100,057
Value of company pension contributions to money purchase schemes	47,000	39,140
	<u>149,562</u>	<u>139,197</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2015	2014 <i>(restated)</i>
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014 <i>(restated)</i>
	£	£
Interest payable on bank borrowing	18,616	23,370
Other similar charges payable	50,178	57,338
	<u>68,794</u>	<u>80,708</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015	2014 <i>(restated)</i>
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 21% (2014 - 20%)	65,115	28,336
Total current tax	65,115	28,336
Deferred tax:		
Origination and reversal of timing differences	(50,716)	-
Tax on profit on ordinary activities	<u>14,399</u>	<u>28,336</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2014 - 20%).

	2015	2014 <i>(restated)</i>
	£	£
Profit on ordinary activities before taxation	<u>25,261</u>	<u>232,137</u>
Profit on ordinary activities by rate of tax	5,305	46,427
Expenses not deductible for tax purposes	28,575	5,232
Capital allowances for period in excess of depreciation	4,547	(14,772)
Utilisation of tax losses	-	(8,551)
Unrelieved tax losses	27,155	-
Other tax adjustments	(467)	-
Total current tax (note 7(a))	<u>65,115</u>	<u>28,336</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £Nil (2014 - £58,471).

9. DIVIDENDS

Equity dividends

	2015	2014 <i>(restated)</i>
	£	£
Paid during the year:		
Dividends on equity shares	<u>—</u>	<u>58,507</u>

10. PRIOR YEAR ADJUSTMENT

The prior period adjustment relates to a change in accounting policy whereby internally generated publishing rights and related assets, previously carried at valuation, are written off.

This is to comply with Financial Reporting Standard 102, which becomes effective next year.

11. TANGIBLE FIXED ASSETS

Group	Freehold Investment Property £	Fixtures & Fittings £	Equipment £	Total £
COST				
At 1 April 2014	658,855	1,210	171,952	832,017
Additions	—	—	1,753	1,753
Disposals	—	—	(5,002)	(5,002)
At 31 March 2015	<u>658,855</u>	<u>1,210</u>	<u>168,703</u>	<u>828,768</u>
DEPRECIATION				
At 1 April 2014	—	926	90,220	91,146
Charge for the year	—	242	22,695	22,937
On disposals	—	—	(5,002)	(5,002)
At 31 March 2015	<u>—</u>	<u>1,168</u>	<u>107,913</u>	<u>109,081</u>
NET BOOK VALUE				
At 31 March 2015	<u>658,855</u>	<u>42</u>	<u>60,790</u>	<u>719,687</u>
At 31 March 2014	<u>658,855</u>	<u>284</u>	<u>81,732</u>	<u>740,871</u>

In the opinion of the directors the investment property has an open market value at 31 March 2015 which is equal to cost of the property.

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
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12. INVESTMENTS

Company	Group companies £
COST	
At 1 April 2014	2,228,723
Additions	481
At 31 March 2015	<u>2,229,204</u>
NET BOOK VALUE	
At 31 March 2015	<u>2,229,204</u>
At 31 March 2014	<u>2,228,723</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet. The company owns 100% of the issued share capital of Industrial Media Limited, a publisher of business magazines, who are registered in England and Wales.

During the year the company acquire 100% of the issued share capital of IML Group Asia PTE. Ltd, a publisher of business magazines, who are incorporated in the Republic of Singapore.

13. STOCKS

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Papers, wrappers and sundry consumables	<u>43,931</u>	<u>40,956</u>	<u>—</u>	<u>—</u>

14. DEBTORS

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	598,973	618,951	—	—
Other debtors	23,556	14,386	—	—
Deferred taxation (Note 15)	50,716	—	—	—
Prepayments and accrued income	<u>43,750</u>	<u>81,379</u>	<u>—</u>	<u>—</u>
	<u>716,995</u>	<u>714,716</u>	<u>—</u>	<u>—</u>

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NOTES TO THE FINANCIAL STATEMENTS
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15. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Provision for year	50,716	-	-	-
Asset carried forward	50,716	-	-	-

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2015		2014	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Tax losses available	-	21,934	-	-
Provision deferred tax; unpaid interest	50,716	-	-	-
	50,716	21,934	-	-

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Secured redeemable loan stock	-	126,408	-	126,408
Bank loans and overdrafts	359,572	342,559	-	-
Trade creditors	399,278	423,521	-	-
Directors' loan accounts	40,000	-	-	-
Other creditors including taxation and social security:				
Corporation tax	65,115	28,336	-	-
Other taxation and social security	158,820	157,313	2,171	2,171
Other creditors	41,627	52,435	5,593	5,594
Accruals and deferred income	152,412	246,174	-	-
	1,216,824	1,376,746	7,764	134,173

Details of secured creditors are given in the following note to the financial statements- note 17.

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

16. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Secured redeemable loan stock	–	126,408	–	126,408
Bank loans and overdrafts	359,572	342,559	–	–
	<u>359,572</u>	<u>468,967</u>	<u>–</u>	<u>126,408</u>

17. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	74,268	104,011	–	–
Amounts owed to group undertakings	–	–	1,289,854	1,289,372
Directors' loan accounts	332,849	382,706	–	–
Other creditors including:				
Other creditors	31,312	31,312	–	–
Secured redeemable loan stock	154,722	28,314	154,722	28,314
	<u>593,151</u>	<u>546,343</u>	<u>1,444,576</u>	<u>1,317,686</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company and group:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Secured redeemable loan stock	154,722	28,314	–	28,314
Bank loans and overdrafts	74,268	104,011	–	–
	<u>228,990</u>	<u>132,325</u>	<u>–</u>	<u>28,314</u>

The bank loans and overdrafts are secured by fixed and floating charges over the assets of the group. Cross guarantees have been given by group undertakings.

The bank loans are repayable by fixed monthly instalments, including interest.

The secured redeemable loan stock is repayable at the option of either the stockholders or the company. The stock bears interest at 2% below Barclays Bank base rate. The interest becomes due upon repayment of the principal loan. The redeemable loan stock is secured against all freehold property and all other tangible and intangible assets.

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company and group's financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans to the company. The main purpose of these instruments is to raise funds for the group's operations and to finance the group's operations.

Due to the nature of the financial instruments used by the company and group there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The group makes use of money market facilities where funds are available.

In respect of loans these comprise loans from directors and loans from financial institutions. The interest rate on the loans from financial institutions is variable but the quarterly repayments are fixed. The group manages the liquidity risk by ensuring there are sufficient funds to meet payments. The interest rates on the loans from directors are variable and the loans payable on demand. The directors are aware of the group's required finance and have determined that these will only be repaid, in whole or in part, when finance is available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as set out below.

Group	2015		2014	
	Land and buildings	Other items	Land and buildings (restated)	Other items
	£	£	£	£
Operating leases which expire:				
Within 1 year	10,768	-	-	-
Within 2 to 5 years	64,000	3,214	64,000	3,214
	<u>74,768</u>	<u>3,214</u>	<u>64,000</u>	<u>3,214</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION SCHEME

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £47,000 (2014: £47,000).

21. RELATED PARTY TRANSACTIONS

P N Jago and S Jago are members of the IML Directors Pension Scheme. The group occupies properties owned by the scheme at open market value rentals of £64,000 (2014 - £64,000).

A loan of £19,047 (2014: £33,545) was due to the scheme at the year end, of which £19,047 (2014: £33,545) bears interest at a fixed rate of 7.5%. Additionally, during the year Industrial Media Limited made payments for expenses and VAT on behalf of the scheme, the balance due to the scheme at the year end totalled £7,463 (2014: £13,295).

The secured redeemable Loan Stock of £154,722 (2014: £154,722) is due to settlements in which P N Jago, a director of the company, has material interests.

During the year P N Jago provided a personal guarantee to the bank with a value of £100,000 as security against the groups overdraft.

Amounts owed to the director P N Jago by the group at 31 March 2015 totalled £372,849, this balance including interest unpaid of £125,685, which is payable at the rate of 10.5% per annum.

22. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014 <i>(restated)</i>	
	No	£	No	£
Ordinary shares of £1 each	17,754	17,754	17,754	17,754
Ordinary shares of £0.01 each	18,138	181	18,138	181
Deferred ordinary shares of £1 each	675,000	675,000	675,000	675,000
Ordinary 'B' Shares shares of £1 each	83,928	83,928	83,928	83,928
	<u>794,820</u>	<u>776,863</u>	<u>794,820</u>	<u>776,863</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
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23. RESERVES

Group	Profit and loss account (restated) £
Balance brought forward as previously reported	(2,315,605)
Prior year adjustment (note 10)	<u>1,282,394</u>
Restated balance as at 1 April 2014	(1,033,211)
Profit for the year	<u>10,862</u>
Balance carried forward	<u>(1,022,349)</u>
Company	Profit and loss account £
Balance brought forward as previously reported	<u>1</u>
Balance carried forward	<u>1</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014 (restated)
	£	£
Profit for the financial year	10,862	203,801
Equity dividends	<u>—</u>	<u>(58,507)</u>
Net addition to shareholders' (deficit)/funds	10,862	145,294
Opening shareholders' (deficit)/funds	(1,538,742)	2,400,246
Prior year adjustment (see note 10)	<u>1,282,394</u>	<u>(2,801,888)</u>
Closing shareholders' deficit	<u>(245,486)</u>	<u>(256,348)</u>

25. NOTES TO THE CASH FLOW STATEMENT

**RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW
FROM OPERATING ACTIVITIES**

	2015	2014 (restated)
	£	£
Operating profit	94,055	312,824
Depreciation	22,937	25,006
(Increase)/decrease in stocks	(2,975)	20,528
Decrease/(increase) in debtors	48,437	(163,105)
(Decrease)/increase in creditors	<u>(213,714)</u>	<u>106,661</u>
Net cash (outflow)/inflow from operating activities	<u>(51,260)</u>	<u>301,914</u>

IML GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
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25. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015	2014 <i>(restated)</i>
	£	£
Interest received	–	21
Interest paid	(68,794)	(80,708)
Net cash outflow from returns on investments and servicing of finance	<u>(68,794)</u>	<u>(80,687)</u>

TAXATION

	2015	2014 <i>(restated)</i>
	£	£
Taxation	<u>(28,336)</u>	<u>(27,215)</u>

CAPITAL EXPENDITURE

	2015	2014 <i>(restated)</i>
	£	£
Payments to acquire tangible fixed assets	<u>(1,753)</u>	<u>(73,678)</u>
Net cash outflow from capital expenditure	<u>(1,753)</u>	<u>(73,678)</u>

FINANCING

	2015	2014 <i>(restated)</i>
	£	£
Repayment of bank loans	(707)	(20,978)
Net (outflow)/inflow from other long-term creditors	(256,298)	15,120
Repayment of directors' long-term loans	<u>332,849</u>	<u>–</u>
Net cash inflow/(outflow) from financing	<u>75,844</u>	<u>(5,858)</u>

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25. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2015		2014 <i>(restated)</i>	
	£	£	£	£
(Decrease)/increase in cash in the period	(74,299)		55,969	
Net cash outflow from bank loans	707		20,978	
Net cash outflow from/(inflow) from other long-term creditors	256,298		(15,120)	
Cash (inflow) from directors' long-term loans	(332,849)		—	
		<u>(150,143)</u>		<u>61,827</u>
Change in net debt		(150,143)		61,827
Net debt at 1 April 2014		(718,704)		(780,531)
Net debt at 31 March 2015		<u>(868,847)</u>		<u>(718,704)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2014	Cash flows	At 31 Mar 2015
	£	£	£
Net cash:			
Cash in hand and at bank	170,198	(86,322)	83,876
Overdrafts	(342,559)	12,023	(330,536)
	<u>(172,361)</u>	<u>(74,299)</u>	<u>(246,660)</u>
Debt:			
Debt due within 1 year	—	(29,036)	(29,036)
Debt due after 1 year	(546,343)	(46,808)	(593,151)
	<u>(546,343)</u>	<u>(75,844)</u>	<u>(622,187)</u>
Net debt	<u>(718,704)</u>	<u>(150,143)</u>	<u>(868,847)</u>

26. CONTROL

The ultimate controlling party is P N Jago, a director and shareholder of the company.