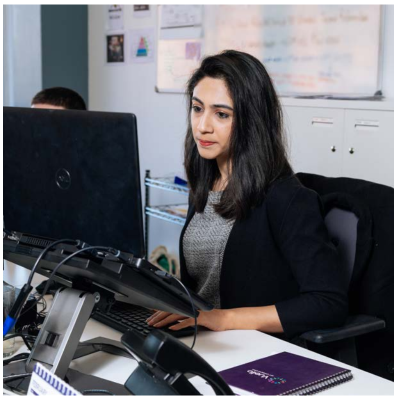
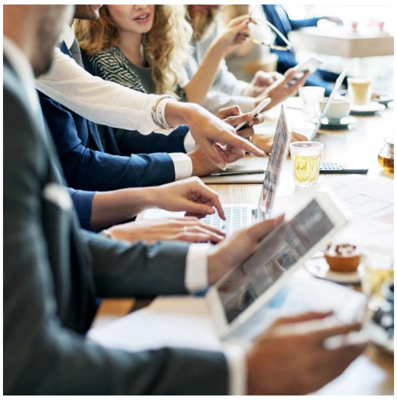
Company Registration number: 04799195

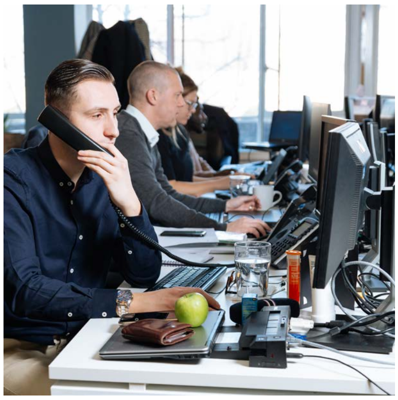
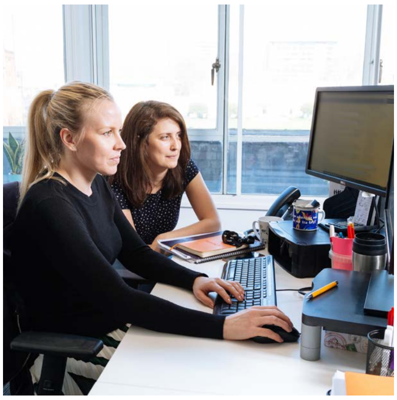
Access Intelligence Plc Annual Report

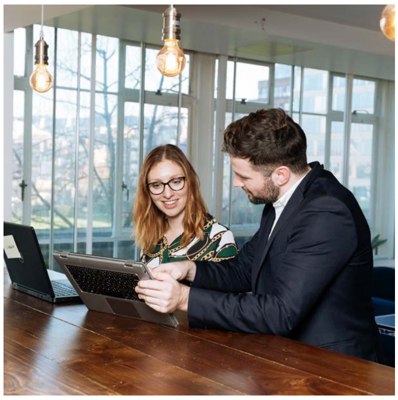
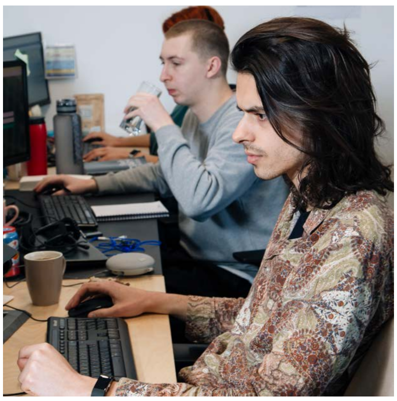
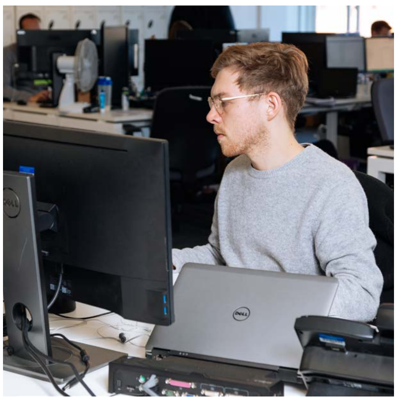
For the year ended 30 November 2018

AccessIntelligence



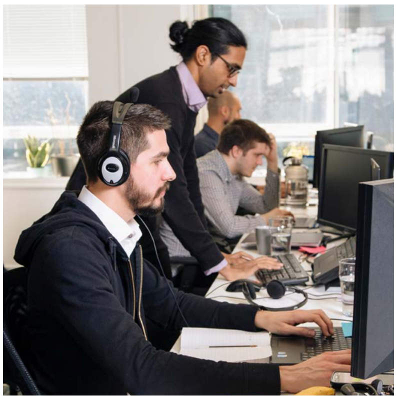
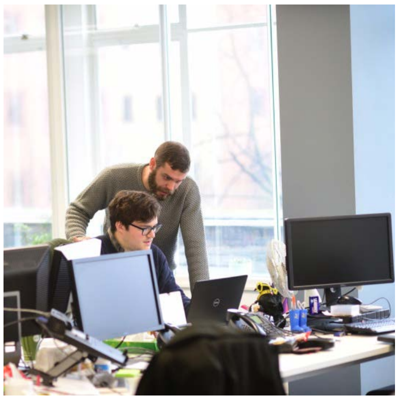
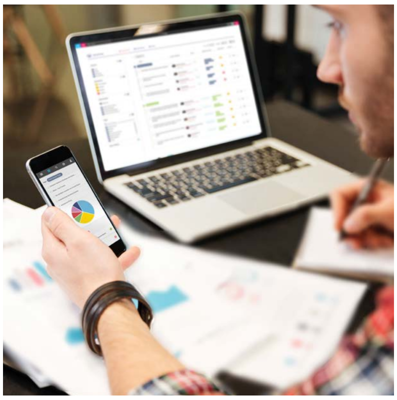
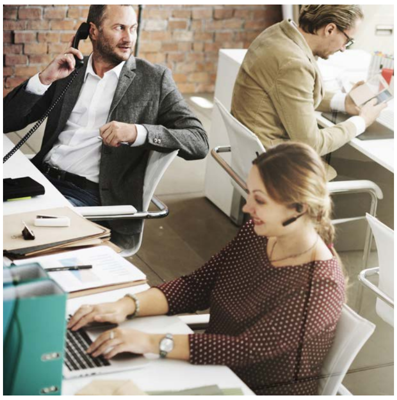



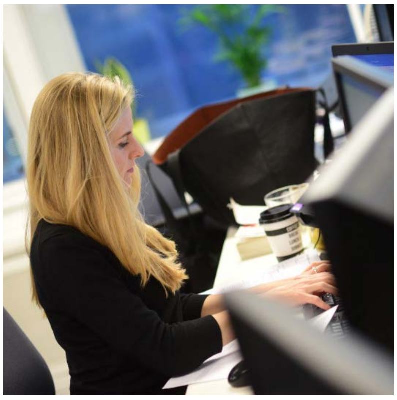
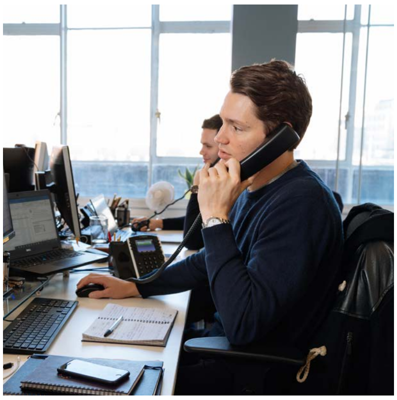




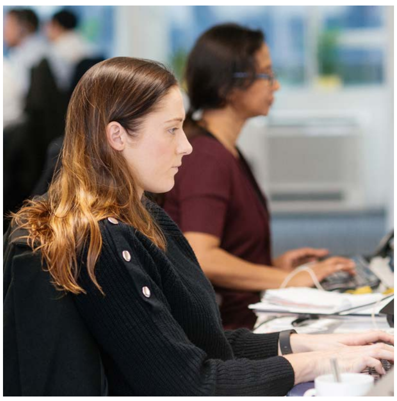

Access Intelligence is a leading provider of **software** as a service solutions that manage **reputation** and **communications**

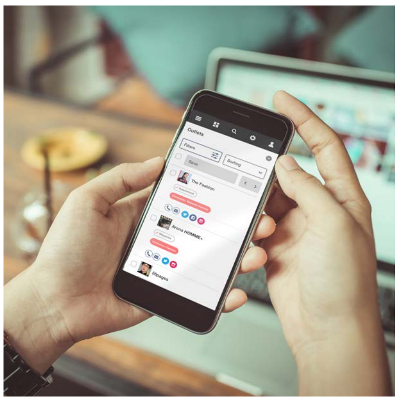
London, England

accessintelligence.com





Contents

Chairman's Statement

I am pleased to present my first annual report as Chairman of Access Intelligence Plc, following my appointment in September 2018. The Group is at a transformational stage following a series of successful acquisitions that have accelerated product development to produce the leading reputation management platform for PR, public affairs and influencer marketing, under the Vuelio brand. The period of investment in Vuelio has created a sophisticated, intuitive platform that is delivering a step change in the relationships communications professionals build with journalists, social media influencers, government and other industry stakeholders and transforming the effectiveness of reputation management activity.

Access Intelligence, with the Vuelio brand, is an exciting business that is scaling based on a sound revenue model and size of opportunity in the marketplace. Vuelio is a software as a service (SaaS) business where revenue is underpinned by a growing, recurring revenue base of subscriptions on annual or multi-year contracts. In 2018, approximately 99% of revenue was generated by customers on SaaS contracts, billed predominantly annually in advance. The strength of this model positions the business to capitalise on the pace of change in an increasingly complex media, digital and social media landscape. It is a world where organisations face greater reputational risk than ever before alongside an ever-increasing challenge to build the relationships needed with media, social media and government influencers that deliver for their customers. This climate has accelerated demand for intelligence and workflow tools that support communications professionals in monitoring, measuring, analysing, engaging and targeting influencers using a single, holistic platform. Vuelio offers the depth of insight and tools that communications professionals need to stay ahead of organisational requirements and market trends with an outstanding platform that combines reputational intelligence with intuitive and flexible workflow capabilities for real-time influencer targeting.

Group performance

The 2018 results demonstrate the progress achieved by the Group with its Vuelio platform. In 2018, the Group capitalised on market momentum to gain considerable traction with new enterprise clients including Investec, Honda, RBS, Carlsberg and the FA, as well as global communications agencies such as Hill & Knowlton. Excluding the impact of acquisitions, revenue from continuing operations increased by 7.6% to £8.67 million, whilst EBITDA loss decreased to £0.46 million compared with £2.47 million in 2017. Adjusted EBITDA profit reached £0.05 million, compared to an adjusted loss of £1.36 million in 2017.

Revenue growth and reduction in EBITDA loss accompanied the acquisition of ResponseSource Ltd ("ResponseSource") in Q4 2018, reflecting the commitment of the Access Intelligence leadership team to execute strategic and operational priorities simultaneously. The acquisition of ResponseSource added depth and breadth to our media and influencer network as well as over 1,500 new customers, including household brand names including L'Oreal, Panasonic and Pizza Express; accounting and consulting firms Deloitte, KPMG and Accenture, and the majority of the UK's top 150 PR agencies. It is an exceptional addition to the Group, producing a combined customer base of more than 3,000 organisations and opening up significant new revenue opportunities, including increasing average spend by customer as point solution clients are upsold to the integrated Vuelio platform. For full year 2018, ResponseSource revenues stood at £3.4 million, and contributed to Group revenue for the final month of last year.

Growth strategy

The Access Intelligence leadership team is confident of the ongoing growth opportunity into 2019 and beyond. Sustained investment in product development, including the integration of ResponseSource will result in enhancements that are expected to deliver improved retention, greater cost synergies and margin improvements. By bringing together the functionality of ResponseSource and Vuelio, it will unlock value inherent in the vast store of media data built up across both organisations. The leadership team expect these enhancements to positively impact revenue from the middle of 2019.

Alongside direct product improvements, there is continued investment in the Access Intelligence stakeholder network. Global media brands, ranging from UK national newspapers to leading consumer and trade magazines, use ResponseSource and, in 2018, a number of important new partnerships were established with organisations ranging from providers of UK political data to international resellers. This increases the strength and reach of the core product offering, while expanding the value of Vuelio platform to the communications and marketing industries.

Board changes

On behalf of the Board, I would like to thank my predecessor, Michael Jackson, for his significant contribution to the Group as Chairman. We look forward to his ongoing advice and insight in his new role as a Non-Executive Director.

People first

The growth and the potential to accelerate into 2019 and beyond is only possible because of the strength of the Access Intelligence team. Our investment in people reflects our commitment to ensuring we create a workplace for the most talented in the industry.

I would like to take this opportunity to thank our fantastic team for their phenomenal work ethic, commitment and sense of adventure.

This is a very exciting time to join Access Intelligence and, on behalf of the board, I would like to thank you for your continued support.

We all look forward to working with you over the coming years as we expand a business that has the potential to transform the marketplace for the good of our customers and our network alike.

Chris Satterthwaite

C Satterthwaite
Chairman
25 March 2019

The Access Intelligence Portfolio

Vuelio

Vuelio provides public relations, public affairs, stakeholder relations and influencer marketing solutions to blue chip customers through a highly scalable SaaS model. It includes the world's largest contact database for media, social media and political influencers and fully integrated workflow for successful engagement, monitoring and analysis.

The platform helps organisations protect and enhance their reputation, inform relevant political agendas and communicate across the full range of stakeholders by providing the intelligence and the tools required to identify, understand and engage with relevant influencers. Its application to a wide range of non-media stakeholders means it is firmly established across the public sector and regulated industries.

Access Intelligence continues to invest heavily in Vuelio and as a result offers the most up-to-date integrated communications management platform on the market, providing the flexibility and ease-of-use required for PR and influencer marketing as well as the rigour and security essential for broader stakeholder management.

ResponseSource

ResponseSource is a subscription-based SaaS model that also provides a contact database alongside a number of related services for professionals in PR, marketing and media industries. Founded in 1997 by a former journalist, the first offering was the Journalist Enquiry Service (JES) through which journalists post requests for information, quotes, and other collateral for stories they are working on. Other services include the Press Release Wire service, freelance journalist profiles, PR and journalism jobs boards, and a daily bulletin on job moves.

ResponseSource first targeted the technology and finance sectors before expanding the reach of its three core services to all major sectors in the UK, achieving particular success in the Fast Moving Consumer Goods ("FMCG") space.

Due to the nature of its services, the company has developed long-term relationships with journalists, bloggers and media outlets, relationships that ensure that the data supplied to ResponseSource and delivered through to its PR customers is detailed, accurate and relevant.

Combined value and business transformation

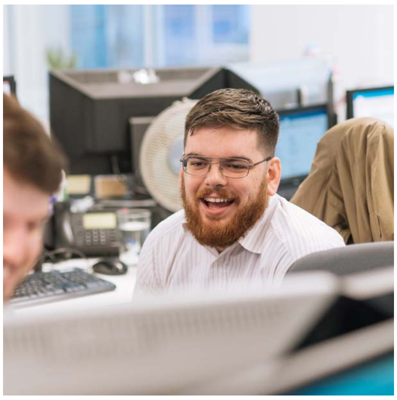
Vuelio and ResponseSource offer leading functionality with their influencer contact databases. ResponseSource has a rich store of UK media data, particularly for contacts at a senior level of national news organisations, derived largely through the strength of the company's relationships with the media. Vuelio has automated more of its core data maintenance processes and has significantly better coverage of social media influencers. The combination therefore offers both a broader and deeper contacts database service as well as improved margins.

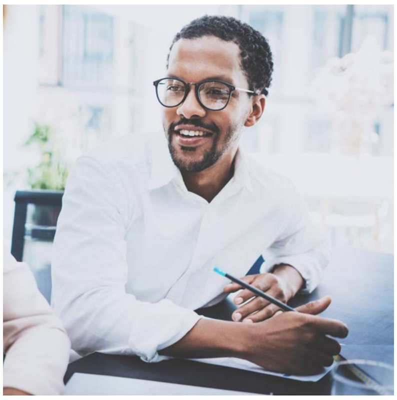
Access Intelligence has in the past used a third-party provider for press release wire services, and is now in the process of moving customers to the ReponseSource service. Enquiry and jobs services for journalists are wholly new offerings for the Access Intelligence portfolio. Through the ResponseSource acquisition, we have further broadened and enriched the services we offer our customer base – and at the same time, acquired key services to support our core strategy of making more intelligence available within an expanding network of influencers.

With only six per cent overlap between ResponseSource customers and those of Vuelio, our most recent acquisition substantially increases the installed customer base and the opportunity for upsell.

Like Vuelio, the acquired company operates SaaS subscription models with high retention rates. The average revenue per customer at ResponseSource is currently relatively low compared to Vuelio's, which is undoubtedly an opportunity – Access Intelligence has demonstrated the ability to secure much larger contracts both with new customers and to upsell into its existing base over the past two years, following the initial launch of the integrated Vuelio platform.

The acquisition provides considerable scope to open new client opportunities, and increased revenue per customer should increase gross margins and, longer-term, overall margins. Margins will also benefit from cost synergies as we migrate customers onto a new combined platform and eliminate content and hosting duplication. Finally, our investment programme to increase process automation through AI will produce benefits throughout the portfolio.





Strategic Report

Results

During the 2018 financial year, the Group has continued to deliver organic growth and has returned to adjusted EBITDA profitability, whilst completing the acquisition of ResponseSource to add significant scale.

One of the key financial metrics monitored by the board is the change in customer Annual Contract Value ('ACV') base year-on-year. This metric reflects the annual value of new business won, plus upsells into our existing customer base, less any customer losses. It is an important metric for the Group as it is a leading indicator of future revenue. During 2018, the Group's ACV base grew organically by £0.6 million (7%) to £9.1 million. Including the impact of the ResponseSource acquisition, the Group's ACV base stood at £12.4 million at 30 November 2018.

Revenue from continuing operations increased by 10% year-on-year to £8,888,000 (2017: £8,063,000). Recurring revenue comprised 99% of the total (2017: 99%), with sales teams incentivised to focus on high contribution SaaS products. Vuelio revenue grew by 7.5% to £8,666,000 whilst ResponseSource revenue for the part-month post acquisition was £222,000.

The Group's continuing operations delivered an adjusted profit before interest, tax, depreciation and amortisation (EBITDA) for the year of £34,000 (2017: loss of £1,364,000). This figure being adjusted for non-recurring items of £473,000 (2017: £854,000) and a share of loss of associate of £222,000 (2017: £254,000), the EBITDA loss from continuing operations for the year was £661,000 (2017: loss of £2,472,000). Adjusted EBITDA from continuing operations excluding ResponseSource was £35,000 whilst EBITDA from continuing operations excluding ResponseSource was a loss of £477,000.

Operating loss from continuing operations was £1,557,000 (2017: £3,450,000). In arriving at the operating loss, the Group has incurred £526,000 (2017: £1,595,000) in research and development expenditure, £20,000 (2017: £107,000) in restructuring costs and charged £896,000 (2017: £978,000) in depreciation and amortisation.

The Group made a loss for the year from discontinued operations of £155,000 (2017: profit of £558,000). Further information relating to discontinued operations is provided on page 27 of the Strategic Report and within note 6 to the consolidated financial statements.

2019 will see continued focus on growth in revenue and gross margin, whilst the Group further develops the Vuelio product.

Loss per share

The basic loss per share from continuing operations was 2.98p (2017 restated: 10.15p). Basic loss per share from discontinued operations was 0.34p (2017 restated: earnings of 1.70p). 2017 earnings per share figures have been restated to reflect the one-for-ten share consolidation completed during 2018.

Cash

In May 2018, the Group raised £2,800,000 before expenses for investment in the Vuelio platform by the issue of 70,000,000 Ordinary 0.5p shares at a price of 4p per share. These shares were subsequently subject to the one-for-ten share consolidation. In November 2018 and after the share consolidation, a further £6,800,000 before expenses was raised to fund the acquisition of ResponseSource Ltd by the issue of 14,320,000 Ordinary 5p shares at a price of 47.5p per share. Cash at the year-end stood at £5,300,000 (2017: £673,000) whilst net cash, calculated as cash held less loan notes and other loans, was £4,223,000 (2017: net debt of £2,700,000).

Key performance indicators

Management accounts are prepared on a monthly basis which provide performance indicators covering revenue, gross margins, EBITDA, result before tax, result after tax, cash balances and recurring revenue. The key performance indicators for the year are:

£'000 **Continuing Operations**	**2018**	2017
Revenue	**8,888**	8,063
Gross margin (%)	**65%**	65%
Adjusted EBITDA - profit/(loss)	**34**	(1,364)
EBITDA - loss	**(661)**	(2,472)
Loss before taxation	**(1,717)**	(3,793)
Loss after taxation	**(1,355)**	(3,335)
Cash balances	**5,300**	673
Recurring revenue	**8,801**	8,020

These performance indicators are measured against both an approved budget and the previous year's actual results. Further analysis of the Group's performance is provided earlier in this Strategic Report.

Each month the Board assesses the performance of the Group based on key performance indicators. These are used in conjunction with the controls described in the corporate governance statement and relate to a wide variety of aspects of the business, including: new business and renewal sales performance; marketing, development and research activity; year to date financial performance, profitability forecasting and cash flow forecasting.

Dividend

As a result of the significant investment the Company has made in the strategic product innovation and sales development, the directors do not propose to pay a dividend for 2018 (2017: £Nil).

Principal business risks and uncertainties

The developing nature of the business dictates that the Board understands the market in which it competes and the strategy that it is implementing. The Statement of Corporate Governance notes the objectives and mechanisms of internal control. Monthly Board meetings are held, where strategy is discussed and decisions taken, supplemented by more regular operational meetings held by the management team.

The Board regularly assesses risks and is of the belief that internal control, risk management and stewardship are integral to the proper management of the business. Further information in relation to risk management is provided on page 23 of the Strategic Report and within note 22 to the consolidated financial statements.

The Board also assesses the appropriateness of preparing the financial statements on a going concern basis and their considerations in respect of the risks relating to going concern are outlined within the Directors' Report on page 30.

Financial instruments

The Group's operations are subject to a variety of financial risks, most notably the effect of credit risks. Liquidity risks are set out on page 23 of the Strategic Report and in note 22 to the consolidated financial statements. At the year end the Group had no bank borrowings or overdrafts, but had a total of £948,000 of loan notes in issue and £129,000 of other loans. The Group held £5,300,000 of bank deposits. The Group does not enter into derivative contracts.

4% (2017: 4%) of the Group's revenue is invoiced in a currency other than sterling. Accordingly, foreign exchange risk is not considered a significant risk. To date the magnitude of Euro, US dollar and Australian dollar based sales has been such that we have not hedged the currency exposure. At 30 November 2018 there were no open exchange contracts.

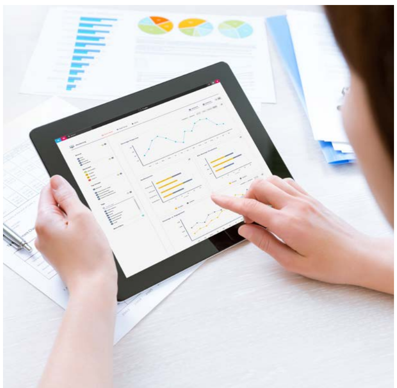
The most significant financial risk to which the Group is exposed is that of the credit worthiness of our customer base. Around 40% (2017: 40%) of the Group's revenue from continuing operations is contracted with the public sector where the directors have judged the credit risk to be minimal.

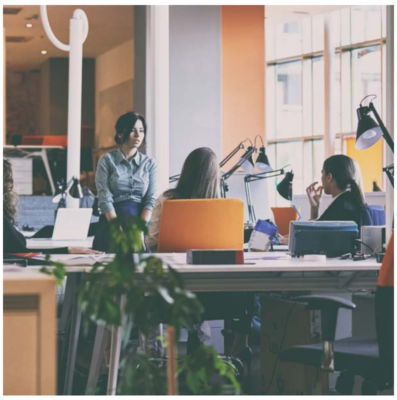
The remaining sales are with the private sector where we have experienced a small incidence of bad debts. We have not considered it necessary to take out credit insurance for the following reasons:

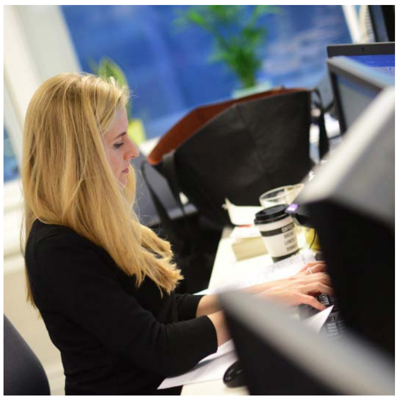
- almost all customers are invoiced in advance;
- most receivable balances are not of a high value;
- no significant concentration of receivable balances are with any one customer; and
- in many cases we have the ability to switch off the service the moment a debt becomes overdue.

The Group holds a number of deposits with UK tax payer-owned banks or well-known high street banks. In recent years we have become increasingly aware that even financial institutions such as banks are not immune to financial risk. That said, the directors review the financial position of their deposit holders on a regular basis and are satisfied with their credit worthiness at this time.

Information about the use of financial instruments by the Group is given in note 21 to the financial statements. The Group has also previously issued convertible loan notes as disclosed in note 18 to the financial statements.







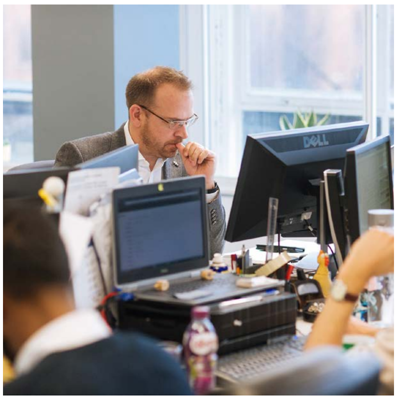
Reputation management and “earned media”

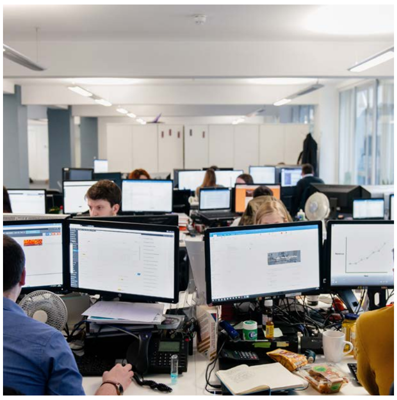
Reputation – the overall estimation in which an organisation is held by its internal and external stakeholders based on its past actions and probability of its future behaviour – is widely acknowledged as one of the most valuable intangible assets for any individual or organisation. Research consistently shows that a good reputation demonstrably increases corporate value and provides sustained competitive advantage, contributing to customer preferences and market valuations, as well as generating wider stakeholder support in times of controversy.

At the centre of building and maintaining reputation are communications that ensure that, as far as possible, the good is widely known and the bad explained, justified or diminished. Key to communications is the ability to identify, understand and engage the right audiences with appropriate messages via optimal channels.

Historically, organisations have weighted communications spending towards ‘paid media’, i.e. advertising, both through traditional channels, and more recently in digital (e.g. social media and paid search), ahead of ‘owned media’ (an organisation’s website, blog and social media accounts) and ‘earned’ media (press coverage, social media posts, ratings/reviews and online word of mouth). The latter has been the preserve of the “PR market” historically served by communications management software.

Over the past few years, however, attention has increasingly shifted to ‘earned’. Social tribalism and the behaviour it engenders has consistently demonstrated the power of digital media to impact reputation across a wide variety of industries. At the same time, ‘earned’ has become the most trusted media category by consumers while the efficacy of traditional paid media advertising has been declining. Newer, more social forms of media coverage inherently need to be ‘earned’, and as such are enlarging the province of PR. All of this activity is reflected in search engine results, which represent perhaps one of the most important channels of reputation messaging. As a result, spend is shifting towards the ‘earned’ category.





Communications management – an evolving market

The corporate communications market therefore represents a major market opportunity, as organisations struggle to manage reputation in this rapidly changing media landscape.

The global market for media intelligence information and software grew 9.3% to $3.5bn in 2017 (Source: Burton-Taylor International Consulting). In the UK three global, integrated players remain responsible for around three quarters of the market, but their market share is in decline.

Vuelio is making significant gains with software that better reflects the new communications landscape. Omnipresent social and mobile behaviour and associated developments, such as the rise of influencer marketing, along with the need among traditional PR end users for combined traditional media and social media management services, is driving the trend towards integrated, pan-media communications solutions such as those provided by Vuelio.

The complexity of communications, the preponderance of new channels, influencers and technologies, must be addressed through a broader approach to stakeholder communications. Communications management platforms need not only to embrace all media and communications channels, but also to provide an audit trail of communications that can be shared throughout an organisation – providing intelligence from previous activity that informs future approaches to communications. Vuelio is unique in putting such a "communications memory" at the heart of its platform.

Political uncertainty as a market opportunity

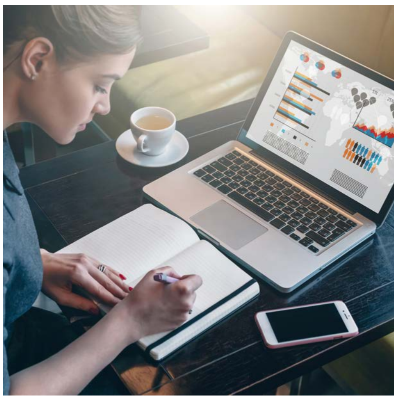
Furthermore, Vuelio offers another unique, and particularly timely, layer of integration in the form of political communications services. We expect the process around Brexit to represent another catalyst for revenue growth with the current legislative uncertainty and parliamentary activity set to continue for a prolonged period.

We estimate the current value of the UK public affairs services market at around 10-15 per cent of the overall UK communications services market, and expect this to continue to grow at least in line with the overall communications market.

With recent political upheaval, we see three prime drivers of increased demand for public affairs services – and for integrated media and political communications services.

Firstly, an uncertain political climate is encouraging more organisations to seek political intelligence, particularly the long-tail of smaller organisations hitherto priced out of more consultative political services. Secondly, mid-tier PR companies, following the multi-disciplinary precedent set by the largest firms, are seeking new opportunities in public affairs territory, and will need to understand the potential changes as they identify and engage with policymakers and other relevant stakeholders. Finally, traditional public affairs professionals are under pressure to demonstrate ROI.

With ready access to the expected political growth markets and all the tools to establish public affairs ROI, we expect growth at the expense of the handful of legacy political service providers currently providing public affairs software solutions in the UK.



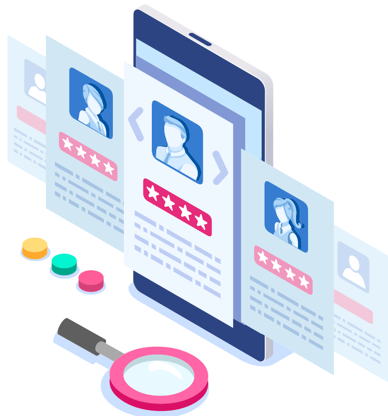
The Vuelio product suite

The Vuelio offering: tools, data and intelligence

The core elements of our platform:

Influencer Database

Vuelio includes an influencer database containing more than one million records covering journalists, editors, bloggers and other media contacts, as well as key political contacts such as MPs, councillors and special advisers, each with in-depth profiles and contact preferences, topics of interest, personal likes/dislikes and biographical information, all of which is compliant with GDPR regulation.



Engagement Workflow Tools

Vuelio provides customers with internally developed workflow tools that help customers to manage reputation through engagement with a wide variety of influencers, including technology for group email distribution and enquiry management, content amplification and publishing, and social media management. Our engagement portfolio has been enhanced with the addition of the ResponseSource Journalist Enquiry Service.

Newsrooms

Vuelio's engagement and publishing services can plug directly into our Newsrooms. These hosted, optimised, and fully customisable webpages function as standalone websites or add-ons to existing digital properties, for purposes ranging from investor newsrooms to campaign microsites to crisis management "darksites".

Stakeholder Management & Communications Memory

All platform activity can be recorded using the fully integrated CRM-style functionality, so that each engagement along with its short- and long-term outcomes are recorded and associated with relevant user, influencer and group profiles. These records serve as a "communications memory" to help customers manage multi-faceted relationships with all stakeholders, whether based on the Vuelio research that populates the media and political database or their own contacts.

Traditional, Political & Social Media Monitoring

Vuelio offers comprehensive media and political monitoring of traditional, digital and social media to capture all mentions of a customer's brand and understand its impact. As well as competitors, issues and trends, this monitoring uses both human and Natural Language Processing ('NLP') capabilities to ensure comprehensive results and to help customers understand their impact.

Communications & Campaign Analysis

Vuelio uses a variety of intelligence techniques to analyse communications activity and its relationship with campaign performance, brand value, reputation and ROI, and provides this aggregated intelligence to customers via a dashboard.


POLICE SCOTLAND
Latest Stories
BREAKING NEWS
Police presence doubled
LATEST STORIES
FOLLOW US
highways england
LATEST STORIES
FOLLOW US
THE PRICE
Media Centre
npower
On their marks for Macmillan
Latest tweets
Browse through our press releases
Hull's npower contact centre chosen to take donations for Children in Need
Tuesday 13 Nov 2018
innogy and SSE stop negotiations on the planned transaction in Great Britain
Monday 17 Dec 2018
Thursday 31 Jan 2019

Expanding the network

ResponseSource provides the leading media enquiry service for journalists and social media influencers. Journalists from the national, regional, consumer and trade press, TV and radio broadcasters, and social media influencers all use the service to request information, spokespeople and other material from PRs. Each request from the media is reviewed to ensure that enquiries contain genuine media opportunities from verified content creators. Each layer of verification and filtering adds to our understanding of the service's various users and increases our ability to provide them with valuable insight.

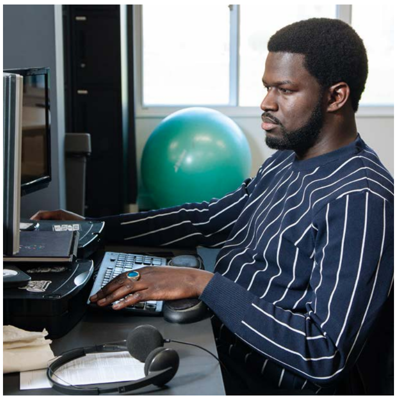
Subscribers include PR professionals at most of the UK's top agencies, freelance PR professionals, in-house PR and marketing departments for businesses, charities, public sector bodies and entrepreneurs responsible for their own PR. High journalist adoption is critical to the success of the enquiry service, which typically processes more than 500 enquiries per week, representing a 9% CAGR from 2015 to the start of 2018. Some 20 per cent of enquiries are from the national media.

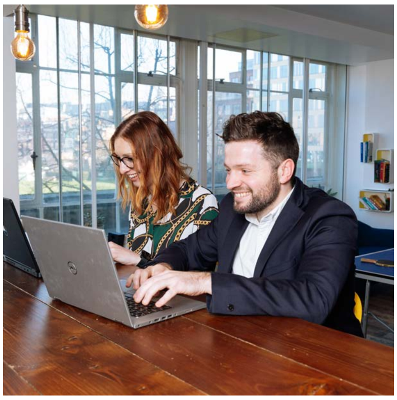
There is considerable scope for further growth in this network. On the PR side, there is opportunity to expand among in-house departments of organisations (public and private sector) seeking access to the traditional and digital media, and both agency and in-house seeking political information and contacts. For the network to provide value, we must also develop the service to enrich the journalist experience.

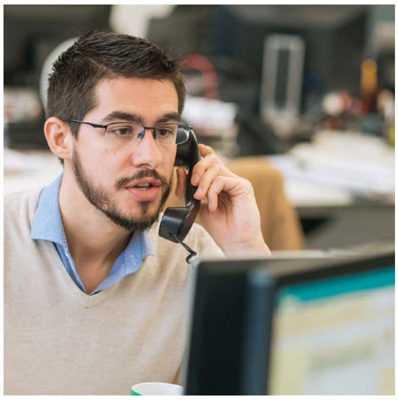
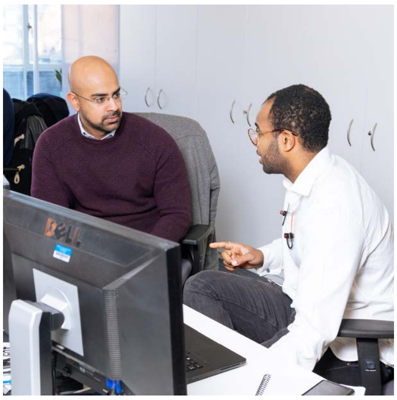
By using the enquiry service to deliver personalised insights not only to existing customers but also to journalists, the wider media, and the political community, we aim to encourage interactions between a greater variety of stakeholders, expanding the networks served by our solutions and adding to and enriching the information they contain.

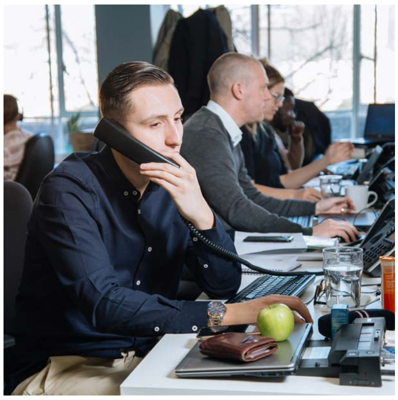
The expansion of the enquiry network to digital media and political influencers is an important continuation of our overall product and broader company strategy. Whether it's the Vuelio Blog Awards, our issue-led roundtables, our support for the media and communications industries at awards, conferences and expos, or simply our messaging within communications, all commercial activity is designed to broaden the reach of the Vuelio network, extend the depth of our relationships to individuals within it, and increase the level of insight it provides.

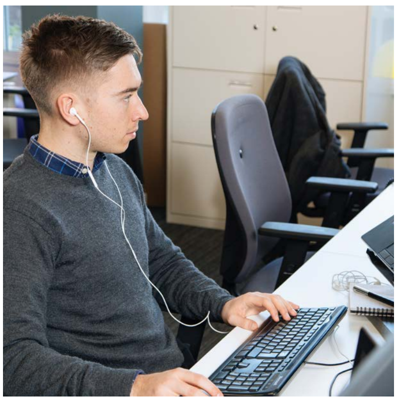
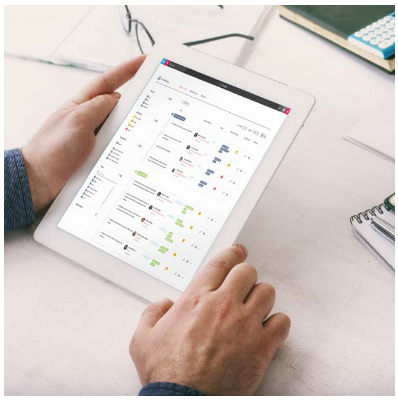
By focusing on network expansion and the development of the enquiry service during the first half of 2019, we will ensure as many network members as possible stand to benefit from initial product enhancements stemming from our investment in AI technology, powerful new solutions for communications personalisation and media measurement that we expect to become increasingly core to the product from the middle of 2019.




They
TURNED
AND Their
Dreams
INTO PLANS




Risk management

The Group's activities expose it to a variety of financial risks which are managed by the Group and subsidiary management teams as part of their day-to-day responsibilities.

The Group's overall risk management policy concentrates on those areas of exposure most relevant to its operations. These fall into five categories:

- Competitive risk — that our products are no longer competitive or relevant to our customers;
- Cash flow and liquidity risk — that we run out of the cash required to run the business;
- Credit risk — that our customers do not pay;
- Key personnel risk — that we cannot attract and retain talented people; and
- Capital risk — that we do not have an optimal structure to allow for future acquisition and growth.

Competitive risk

All of our businesses are active in competitive markets. These markets are predominantly UK based but nevertheless face global competition. To succeed we need staff with the appropriate skills, offering state of the art product and service solutions at competitive prices. They need a full understanding of the benefits and attributes of our products as well as an understanding of competitor products. They also need to know about sales opportunities on a timely basis.

As a small company, with limited resources, we need to manage our product investments with care and we tackle these risks as follows:

- We encourage investment as needed to maintain our market leading status through product research and development;
- We are growing our sales and marketing teams across the Group in a controlled manner;
- We make time and funds available for staff training;
- We incentivise through balanced sales commission schemes; and
- We monitor individual sales person performance, taking action where necessary.

Cash flow and liquidity risk

As a Group we support the cash requirements of three individual trading units, all of which have their individual working capital requirements during a trading month. At the end of 2018 we had no bank borrowings (2017: Nil) but £948,000 (2017: £3,313,000) of loan notes and £129,000 (2017: £60,000) of other loans. As an acquisitive business which also invests in its existing infrastructure continually, the need to project future requirements is important. To encourage tough cash management and good planning we manage cash as follows:

- We collect and communicate a weekly cash summary every Friday by subsidiary;
- We pay sales commissions, where appropriate but only once cash is received for larger sales;
- We monitor detailed ageing analysis of debtors from each subsidiary on a monthly basis;
- We encourage subsidiary cash generation by monitoring the ageing of debtors; and
- We monitor cash performance against agreed budgets and forecasts.

Credit risk

Our sales are split 40%:60% (2017: 40%:60%) between public and private sector organisations. Whilst recognising that circumstances change, we are of the opinion that the public sector will pay its debts providing the purchasing rules have been followed. Despite the tough solvency issues facing all European governments we have seen no reason to change this view at the present time. The private sector however remains a higher risk and we remain diligent about our approach to these sales:

We track aged debtors diligently, reporting them monthly at Group Board level; and

For sales of value above set limits, we do not pay commission until payment is received from the customer.

Key personnel risk

This is a people business. Our technical staff create the product and our sales staff sell it, supported by our marketing staff. In 2018 56% (2017: 40%) of our outflows were on people. In a competitive market we recognise good people can be poached or just lose their way. There is nothing that can beat a motivated, educated and focused team. Whilst our size limits the extent of our actions, we address this risk as follows:

- We take care to take references when recruiting;
- Managers monitor performance individually whatever the role in the organisation;
- We offer training of specific skills where appropriate;
- We encourage flat management structures, open plan offices and easy accessibility up and down the organisation;
- We pay competitive market prices whilst recognising regional differences;
- We have an approved option scheme for senior employees; and
- A number of key personnel are significant shareholders in their own right.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern providing long-term returns for shareholders and security for other stakeholders whilst maintaining optimal capital structure to allow for future acquisition and growth.

In order to manage the overall objective above, the Group gives consideration to the following:

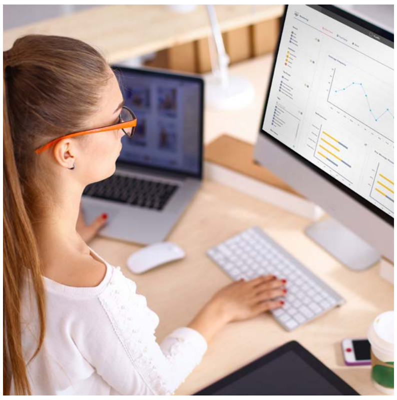
The Board views equity firstly as the key source of funding for acquisitions and secondly as an important incentivisation tool for management. These are the key justifications for the Group's AIM quotation.

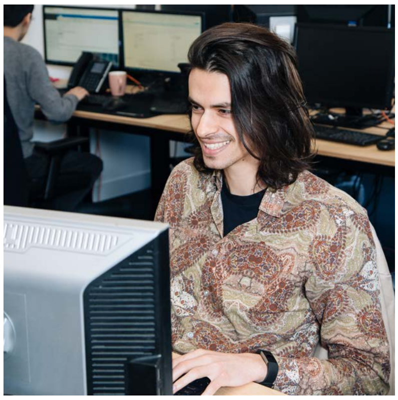
In relation to acquisitions, the appropriate funding structure will be a blend of our own available cash, gearing and equity. The structure for each transaction will take into account our intention for an immediate enhancement in earnings per share.

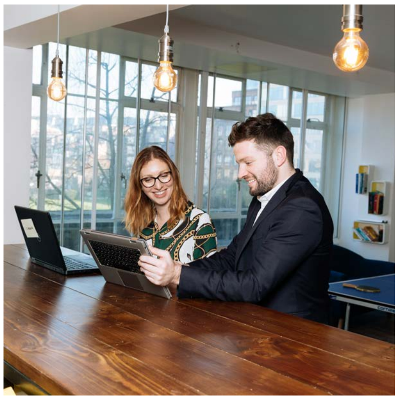
The Board is also sensitive to the fact that there may be times when capital is in short supply justifying fundraising beyond our immediate needs. With a buy and build strategy new acquisition opportunities must be responded to as they arise, though during the remainder of 2019 the focus will be to build on developing and integrating what we have.

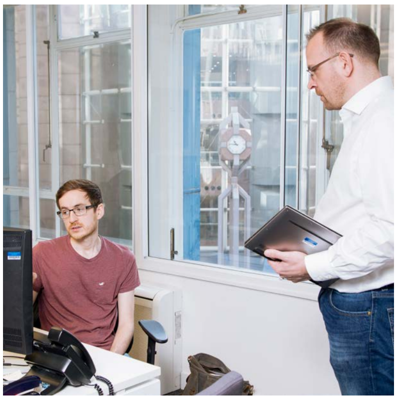
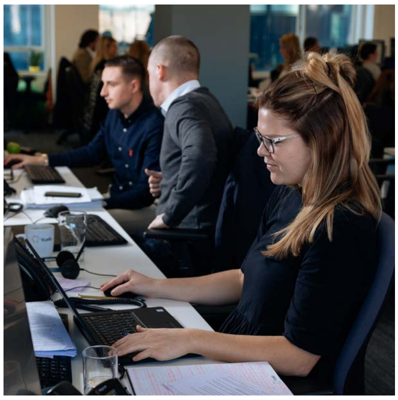
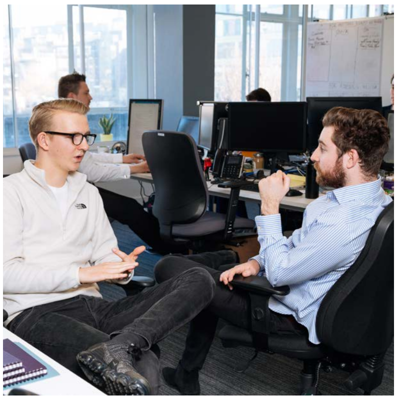
As an incentive for management, we offer equity based payments in line with market prices at the time of grant, aligning the long-term interests of shareholders and key executives.

The total capital managed by the Group at the year end was 63,772,754 (2017 restated: 34,867,436) ordinary shares of 5p each. 2017 capital has been restated to reflect the one-for-ten share consolidation completed during 2018. Further information on share capital is provided within note 24 to the consolidated financial statements. The Group is not subject to any externally imposed capital requirements.






COSTA



Monitoring
Vuello
News Feed
Feed Setup
Alerts
Coverage Frequency
15/03/2018
15/03/2019
11/03/2019 to 24/3/2019
Week
2 Weeks
Month
Spokesperson
Key Message Penetration

Disposal of non-core assets

During the year, the Group divested its final non-core subsidiary as part of its strategy to focus on the Vuelio reputation and communications management business.

A.I. Talent Limited

On 9 May 2018, the Group disposed of 100% of the issued share capital of A.I. Talent Limited for a consideration totalling £1. Group loss on disposal of the subsidiary was £65,000, Company loss on disposal was £145,000.

By order of the Board

J Arnold
Director
Approved by the directors on 25 March 2019

Directors and Advisers

Directors:

Executive directors:

J Arnold	(Chief Executive Officer)
M Fautley	(Chief Financial Officer)

Non-executive directors:

C Satterthwaite	(Chairman)
M Jackson	
J Hamer	
C Pilling	

Company Secretary:
M Greensmith

Registered Office:
Longbow House
14-20 Chiswell Street
London
EC1Y 4TW

Company Registration Number:
04799195

Nominated Adviser and Broker:
Allenby Capital Limited
5 St Helen's Place
London
EC3A 6AB

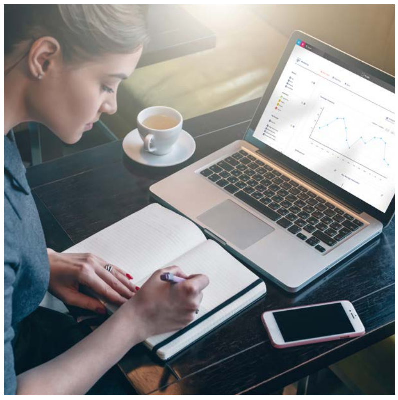
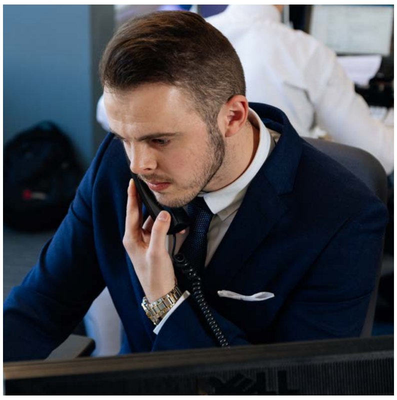
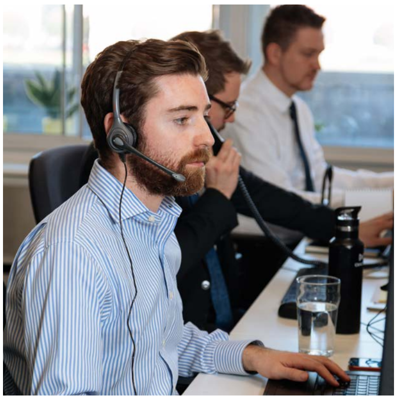
Registrars:
Neville Registrars Limited
Neville House
Steelpark Road
Halesowen
B62 8HD

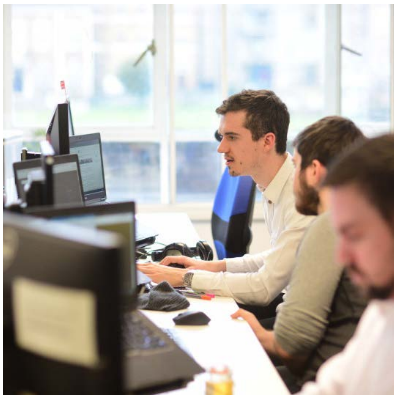
Bankers:
Bank of Scotland
Aldgate House
1-4 Market Place
Hull
HU1 1RA

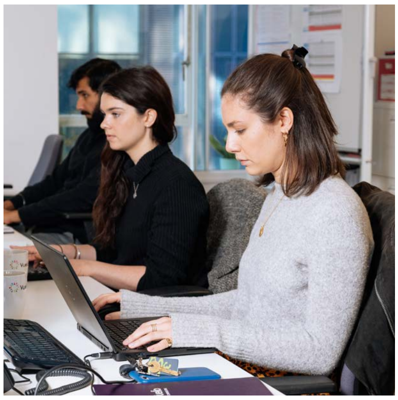
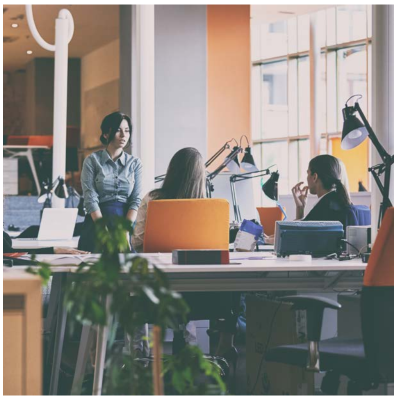
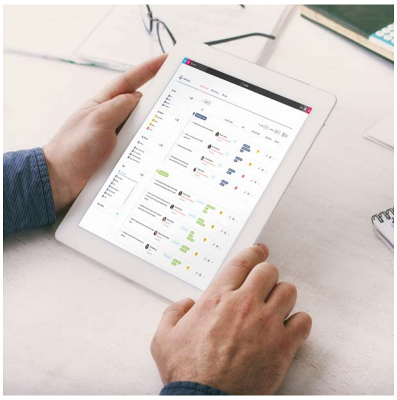
Legal Advisers:
Fieldfisher LLP
Riverbank House
2 Swan Lane
London
EC4R 3TT

Auditor:
Mazars LLP
Chartered Accountants & Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD



Good day



Directors' Report

The directors present their annual report and the consolidated financial statements for Access Intelligence Plc ("the Company") and its subsidiary undertakings (together referred to as "the Group") for the year ended 30 November 2018.

Principal activity

Access Intelligence provides Software as a Service (SaaS) for companies looking to build, maintain and protect their reputation through communications management.

Review of business and future outlook

A review of the Group's activities during the year and future outlook is set out in the Chairman's Statement on page 6 and the Strategic Report on pages 10 to 27.

Results

The consolidated trading results for the year and the year-end financial position are shown in the consolidated financial statements on pages 50 to 101. The results for the year and future prospects are reviewed in the Chairman's Statement on page 6 and the Strategic Report on pages 10 to 27.

Directors' interests

The directors who have served during the year and details of their interests, including family interests, in the Company's ordinary 5p shares at 30 November 2018 are disclosed below:

	30-Nov-18 Beneficial No.	**30-Nov-18 Options No.**	30-Nov-17 Beneficial No.	30-Nov-17 Options No.
M Jackson	**3,525,280**	**-**	3,525,280	-
J Arnold	**561,538**	**300,000**	561,538	300,000
J Hamer	**675,176**	**200,000**	675,176	200,000
C Satterthwaite (appointed 1 September 2018)	**52,632**	**-**	-	-
M Fautley (appointed 6 March 2018)	**31,578**	**-**	-	-

The high and low price of shares during the year were 65.0p and 39.5p respectively (adjusted for the one-for-ten share consolidation).

Substantial shareholdings

Save for the directors' interests disclosed above together with the following shareholders, the directors are not aware of any other shareholdings representing 3% or more of the issued share capital of the Company at the year end.

Investor	**No. of shares**	**% holding**	**Nature of holding**
Kestrel Partners LLP	**12,924,058**	**21.25**	**Indirect**
Elderstreet Draper Esprit VCT plc	**7,125,000**	**11.72**	**Indirect**
Unicorn Asset Management	**6,594,120**	**10.84**	**Indirect**
Cannacord Genuity Group Inc	**4,284,264**	**7.05**	**Indirect**
Herald Investment Management Limited	**3,494,962**	**5.75**	**Indirect**
Octopus Investments Ltd	**3,222,380**	**5.30**	**Indirect**
Gresham House Asset Management Limited	**3,196,072**	**5.26**	**Indirect**
Chelverton Asset Management Limited	**3,157,894**	**5.19**	**Indirect**
Hawk Investment Holdings Ltd	**2,882,051**	**4.58**	**Indirect**

In addition to the above the following substantial shareholders were also holders of Loan Instruments at the year end.

	As at 30 November 2018		As at 30 November 2017	
	Convertible loan notes	**Non-convertible loan notes**	Convertible loan notes	Non-convertible loan notes
Elderstreet VCT plc	**-**	**300,000**	700,000	300,000
Unicorn AIM VCT plc	**-**	**300,000**	750,000	300,000
Kestrel Partners LLP	**-**	**-**	400,000	-
Hawk Investment Holdings Ltd	**-**	**300,000**	300,000	300,000
Octupus Asset Management Ltd.	**-**	**-**	200,000	-
	-	**900,000**	2,350,000	900,000

At 30 November 2017, the Company had two issues of convertible loan notes and one issue of non-convertible loan notes. Only the non-convertible loan notes remained in issue at 30 November 2018, as all of the £1,250,000 2009 convertible loan notes and £1,100,000 2014 convertible loan notes were converted into equity during the year (refer to note 24).

The 2009 convertible loan notes converted into 31,250,000 new ordinary shares at a conversion price of 4.0p, with conversion being effective on 31 December 2017 and the new shares being admitted to trading on the AIM market of the London Stock Exchange on 3 January 2018.

The 2014 convertible loan notes converted into 36,666,665 new ordinary shares at a conversion price of 3.0p, with conversion being effective and the new shares being admitted to trading on the AIM market of the London Stock Exchange on 29 January 2018.

On 22 June 2015 the Company issued £1,818,000 non-convertible loan notes of which £1,800,000 were issued to substantial shareholders as per the table above. The loan notes carried an interest rate of 10% for one year rising to 12% thereafter. Interest is payable quarterly in arrears. The loans notes are fully repayable in five years.

On 22 April 2016, the Company repaid £900,000 of non-convertible loan notes held by Kestrel Partners LLP.

Dividends

Due to the significant and ongoing investment in developing our products, the directors do not propose a dividend in respect of the year ended 30 November 2018 (2017: £Nil).

Research and development and other technical expenditure

Throughout 2018 we have continued to invest in developing our products. The Group engaged an average of 40 (2017: 41) technical staff who both support the existing product offering as well as developing it. In 2018, £1,865,000 (2017: £1,595,000) was spent across the Group on research and development and other technical expenditure. Of this £1,344,000 (2017: £Nil) was capitalised and the balance was expensed through the consolidated statement of comprehensive income.

Further detail of research and development activity incurred by Group companies is set out in the Strategic Report on pages 10 to 27.

Our policy is to write development expenditure off to profit or loss as incurred unless it relates to a new product or relates to fundamental innovations that meet accounting definitions in that they are technically feasible, commercially viable and resources exist to complete the development projects. In such cases the expenditure is capitalised and amortised over five years beginning with the first sale. This reflects the estimated useful life taking into account the more flexible, structured code using latest modular design techniques available.

Employee relations

The Group supports the employment of disabled people, wherever possible, both when recruiting and by retention of those who become disabled during their employment.

Appropriate steps are taken to inform and consult employees regarding matters affecting them and the Group.

The Group's policy regarding health and safety is to ensure that, as far as is practical, there is a working environment which will minimise the risk to the health and safety of its employees and those persons who are authorised to be on its premises.

The Group encourages staff progression and is introducing more formal training and development of key staff across the Group. Individual job related training is provided if needed and it is incumbent upon all managers to find time to mentor and develop their own staff.

The Group's remuneration policies are driven locally at subsidiary level to reflect circumstances prevailing in their local labour markets. Our sales teams earn sales commission on top of a competitive basic salary based on their individual targets and incentives for all staff are encouraged. Directors' remuneration is determined by the remuneration committee, details of which are included in note 9.

Financial risk management and exposure to financial risk

The directors' management of and policies in relation to competitive risk, credit risk, cash flow and liquidity risk, and key personnel risk are explained in detail in the Strategic Report.

Environment

The Group's policy with regard to the environment is to ensure that we understand and effectively manage the actual and potential environmental impact of our activities. Our operations are conducted such that we comply with all legal requirements regarding the environment in all areas where we carry out our business. During the period covered by this report the Group has not incurred any fines or penalties or been investigated for any breach of environmental regulations.

Social responsibility

The Group has made certain small donations during the year supporting local charities, individually each donation and in aggregate being less than £2,000. We encourage our staff to raise money for charities by supporting their endeavours both as a company or the directors individually. No political donations were made during the year (2017: £Nil).

Going concern

The Strategic Report and opening pages to the annual report discuss Access Intelligence's business activities and headline results, together with the financial statements and notes which detail the results for the year, net current liability position and cash flows for the year ended 30 November 2018. The Board has further considered 12 month cash flow forecasts from the date of signing the accounts and consider the assumptions used therein to be reasonable and reflective of the long-term 'software as a service' contracts and contracted recurring revenue.

The Board has concluded that they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Share capital

Details of the Company's share capital are set out in note 24 to the consolidated financial statements.

Share option plan

The Company administers one approved option scheme called the "Access Intelligence plc Management Incentive Scheme". The scheme was adopted at the AGM held on 22 April 2009 and is open to any eligible employee selected at the discretion of the Board. The scheme period will extend for 10 years from the adoption date. The scheme rules are available at the Company's registered office. Details of the movement in options during the year are in note 25. In total, no options were granted in the year, none were exercised and none were forfeited.

Indemnity of directors

The Company has an indemnity policy which benefits all of its current directors and is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnification was in force during the year and at the date of approval of the financial statements.

Assessment of likely impact of the United Kingdom's proposed withdrawal from the European Union ("Brexit") on the Group

Economic outlook

The Group's customers currently operate in an unpredictable economic environment, due to the ongoing uncertainty regarding the Brexit process. All sectors and industries have had to take a more cautious approach to decision making, including investment in communications strategies, hence any ongoing uncertainty may have an impact on the length of sales cycles.

Vuelio opportunity

Whatever the final outcome, we expect the continued political discourse relating to Brexit to broaden the Group's market considerably. The expectation is an increase in domestic legislation, whether due to a transition period or a no deal outcome, which will touch all industries and sectors. For the first time, many companies will need a broader intelligence service covering UK political and government institutions as well as media channels.

In addition to intelligence, the UK and EU political stakeholder landscape will undergo significant change in 2019/20, whether election based or due to Brexit reprisal. Investment in stakeholder strategies is set to increase.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the Group and Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under AIM rules the directors are required to prepare Group financial statements in accordance with IFRS as adopted by the EU.

The Group financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and the performance of the Group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether, for the Group financial statements, they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the Group financial statements
- state whether, for the Company financial statements, the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Company financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business; and
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions, on the Group's and the Company's financial position and financial performance.

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

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

Statement as to disclosure of information to auditor

In so far as the directors are aware:

- there is no relevant audit information of which the Group's and the Company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Mazars LLP has acted as auditor throughout the period and, in accordance with section 489 of the Companies Act 2006 a resolution to reappoint Mazars LLP will be put to the members at the forthcoming annual general meeting.

By order of the Board

J Arnold
Director
Approved by the directors on 25 March 2019

Corporate governance

Application of the principles of good governance

The Board recognises the importance of good corporate governance as one of the foundations of a sustainable corporate growth strategy. It has chosen to adopt the Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code") as the most appropriate governance model for Access Intelligence.

The role of the Chairman

Christopher Satterthwaite, as Non-Executive Chairman, has ultimate responsibility for the running of the Board and for both the quality of and the Group's approach to corporate governance.

Governance related matters arising during the year

C Satterthwaite was appointed Non-Executive Chairman on 1 September 2018, taking over from M Jackson who remains on the board as a Non-Executive Director. As Non-Executive Chairman, C Satterthwaite has now assumed responsibility for corporate governance at Access Intelligence.

Application of the QCA code by the Group

The following sections set out the ways in which Access Intelligence applies the ten principles of the QCA Code in support of the Group's medium to long-term success:

Establish a strategy and business model which promote long-term value for shareholders
Access Intelligence is a leader in the provision of corporate communications and reputation management software. It has more than 3,000 customers ranging from blue-chip large enterprises and communications agencies to public sector bodies and not-for-profit organisations.

The Group's strategy and business model are set out within the Strategic Report on pages 10 to 27. The strategy and business model are developed by the Chief Executive Officer, Chief Financial Officer and senior management team, and approved by the Board. The senior management team, led by the Chief Executive Officer, is responsible for their effective delivery.

The key risks to the business and how these are mitigated are detailed on pages 23 to 24.

Seek to understand and meet shareholder needs and expectations
Access Intelligence encourages regular dialogue with both existing and potential shareholders to understand their needs and expectations, and to ensure that the Group's strategy, business model and progress are clearly understood.

The Chief Executive Officer and Chief Financial Officer meet with representatives of most major institutional shareholders at least twice per year, with their feedback being shared with the wider Board.

The Board also recognises that the Annual General Meeting ("AGM") provides an opportunity to meet private shareholders and values the feedback of such shareholders. The Notice of the AGM is sent to shareholders at least 21 days before the date of the meeting and all Directors routinely attend the AGM and are available to answer questions raised by shareholders.

Where shareholder voting decisions are not in line with expectations, the Board will engage with shareholders to understand the reasons for this.

The Group's main point of contact for shareholder engagement is the Chief Financial Officer.

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

Engaging with stakeholders enables Access Intelligence to understand their needs more effectively which in turn helps the Group to make more informed business decisions. These stakeholders include the Group's employees, customers and suppliers, as well as media and political influencers.

Access Intelligence engages with its employees through anonymous opinion surveys to gather feedback on all aspects of employment within the Group. This feedback is considered by the senior management team on a regular basis and where necessary, improvements are made.

Employee performance reviews are conducted annually. Though in addition, managers are encouraged to hold regular, informal one-to-one sessions with each of their direct reports.

The Group engages with its customers through regular calls, webexes and face-to-face meetings, in addition to ongoing email and telephone conversations. The Group also holds regular roundtables, in which key customers and other core stakeholders, such as journalists, are brought together to discuss mutual needs and best practices. Finally, implicit feedback is gathered from customers in the shape of analytics that describe their engagement with the Group's products and our communications more generally.

The Research team regularly engages media and political influencers to provide or validate the contents of the Vuelio Database, and to remind them of their rights under data protection law, as well as to help them better understand Vuelio and its benefits to them.

The Group's policy with regard to the environment is to ensure that it understands and effectively manages the actual and potential environmental impact of its activities. Its operations are conducted such that it complies with all legal requirements regarding the environment in all areas where it carries out business.

The Group makes certain small donations each year to support local charities, with each individual donation and the total in aggregate being less than £2,000. Employees are encouraged to raise money for charities and their endeavours may be supported either by the Group or personally by individual Directors.

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

The Board is responsible for evaluating risk and for ensuring that the Group has appropriate systems and controls in place for effective risk management. The effectiveness of these internal systems and controls is reviewed annually and reported to the Audit Committee by the Group's auditor as part of their audit of the financial statements. Key risks to the business and explanations of how these are mitigated are detailed on pages 23 to 24.

A budget is prepared each year, which is subject to formal review and approval by the Board. Performance against budget and prior year is reported to the Board as part of the Group's monthly reporting pack. The Board meets monthly to review ongoing performance, including both financial and non-financial Key Performance Indicators ("KPIs"), as well as the consideration of new threats and opportunities presented to the Group.

Access Intelligence maintains appropriate insurance cover for the Group's activities, with the types of cover and insured values being reviewed on a periodic basis by the Board.

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

Access Intelligence is controlled by its Board of Directors, which comprises four Non-Executive Directors and two Executive Directors.

C Satterthwaite, as Non-Executive Chairman, is responsible for the running of the Board and for both the quality of and approach to corporate governance. J Arnold, as Chief Executive Officer, is responsible for running the business and implementing the Group's strategy.

The Board considers itself to be sufficiently independent, in line with the QCA Code which suggests that a board should have at least two independent Non-Executive Directors. C Satterthwaite, J Hamer and C Pilling are deemed to be independent Non-Executive Directors.

The Board does not have a senior independent director due to the size of the Group.

The Board consider that as M Jackson is a substantial shareholder of Elderstreet Draper Esprit VCT Plc, he is not deemed to be an independent Non-Executive Director. Elderstreet Draper Esprit VCT Plc is a shareholder in Access Intelligence Plc with an 11.72% shareholding at 30 November 2018 (page 31).

The Board receives regular and timely information in respect of the Group's operational and financial performance from the Executive Directors, with a detailed board report pack being shared in advance of Board meetings. In addition, the minutes of the previous Board meeting are reviewed and approved by the Board each month and the Directors have access to the advice and services of the Company Secretary.

All Directors are subject to election by shareholders at the first AGM after their appointment to the Board and will continue to seek re-election at least once every three years.

The Board is supported by the Audit Committee and the Remuneration Committee which are each chaired by a Non-Executive Director. The Group has not appointed a Nominations Committee. The Board has concluded that given the size of the Group this function can be effectively carried out by the whole Board.

Non-Executive Directors are required to devote a minimum of two days per month to the Group whilst both Executive Directors are full time.

Attendance by Directors at Board meetings during the year was as follows:

Director	Tenure (years)	Board meetings during year	Board meetings attended
C Satterthwaite	<1	3	3
M Jackson	10	13	13
C Pilling	3	13	11
J Hamer	1	13	10
J Arnold	5	13	13
M Fautley	1	9	9

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

The Board regularly reviews its composition to ensure that it has the necessary breadth and depth of skills to support the ongoing development and growth of the business. The Board is satisfied that it has an effective and appropriate balance of skills between the Directors to support the requirements of the Group.

Where new Board appointments are considered, the search for candidates is conducted and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender.

We have not disclosed the mix of experience, skills, personal qualities and capabilities to deliver the strategy of the Group, or how each director keeps their skills set up to date, as this information has been disclosed per our company website in some instances and will be updated to ensure all key points of the code are covered.

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

The Board proposes to undertake an evaluation of its performance annually, taking into account the Financial Reporting Council's Guidance on Board Effectiveness.

All Directors will undergo a performance evaluation before being proposed for re-election to ensure that their performance is and continues to be effective, that where appropriate they maintain their independence and that they are demonstrating continued commitment to the role.

Formal performance reviews are carried out annually with all Executive Directors.

The Board regularly reviews its composition, particularly in conjunction with succession planning, and may utilise the results of performance evaluations when considering this composition and/or succession planning.

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

The Board seeks to ensure that the highest standards of integrity and ethical behaviour are demonstrated in the conduct of the Group's operations. These standards are enshrined in the Group's written policies which are adopted by all employees and reviewed during the annual performance review.

An open culture is encouraged within the Group, with employee feedback sought and regular progress and performance updates provided to all employees.

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

The long-term success of Access Intelligence is the responsibility of the Board of Directors, which comprises four Non-Executive Directors and two Executive Directors. The Executive Directors have responsibility for the operational management of the Group's activities. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions.

There is a clear separation of the roles of the Non-Executive Chairman and the Chief Executive Officer. The Chairman is responsible for the running of the Board and has ultimate responsibility for corporate governance matters. The Chief Executive Officer has ultimate responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Group. The Company Secretary is responsible for ensuring that Board procedures are followed, and applicable rules and regulations are complied with.

The Board has established an Audit Committee and a Remuneration Committee, with formally delegated duties and responsibilities, which are each chaired by a Non-Executive Director. The Audit Committee is chaired by J Hamer and the Remuneration Committee is chaired by C Pilling.

The Group has not appointed a Nominations Committee. The Board has concluded that given the size of the Group this function can be effectively carried out by the whole Board.

The Board receives regular and timely information in respect of the Group's operational and financial performance from the Executive Directors, with a detailed board report pack being circulated each month. The Board generally meets on a monthly basis, with 13 Board meetings having been held during the last year.

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

Access Intelligence communicates with shareholders in a number of ways, including:

- the Group's Annual Report and Accounts;
- full year and half year announcements;
- other regulatory announcements;
- the Annual General Meeting; and
- update meetings with existing shareholders.

A range of corporate information, including annual reports for the last five completed financial years, full and half year results announcements, notices of General Meetings for the last five completed financial years and other regulatory announcements, is also available to shareholders, investors and the public through the Group's website.

Please see below for details on the Audit, Nomination and Remuneration Committees together with the membership of those committees.

Audit Committee

The audit committee comprises of J Hamer, C Satterthwaite, M Jackson and C Pilling, and is chaired by Jeremy Hamer. It is responsible for ensuring that appropriate financial reporting procedures are properly maintained and reported on. Where required, meetings are held with the Group's auditors to review their reports on the accounts and the Group's internal controls.

It also reviews the performance of the Group's auditors to ensure an independent, objective, professional and cost-effective relationship is maintained. As well as reviewing the Group's published financial results, the committee reviews the Group's corporate governance processes (including risk analysis), accounting policies and procedures, reporting to the Board on any control issues identified.

Remuneration Committee

The remuneration committee consists of C Pilling, C Satterthwaite and M Jackson, and is chaired by C Pilling. The committee's aim is to ensure that the Executive Directors are rewarded for their contribution to the Group and are motivated to enhance the return to shareholders. The remuneration committee is responsible for reviewing the performance of the Directors and setting their remuneration, meeting on an "as required" basis.

Nomination Committee

The Group has not appointed a nominations committee. The Board has concluded that given the size of the Group this function can be effectively carried out by the whole Board.


Public finance Target
Computer Hardware Desktops And Noteb...
What's Your Passion
Not All Blank Cassettes Are Created Equal
Understanding Operating Systems
Anonymous Proxy

Independent auditor's report to the members of Access Intelligence Plc

Opinion

We have audited the financial statements of Access Intelligence PLC (the 'Parent company') and its subsidiaries (the 'Group') for the year ended 30 November 2018 which comprise:

- the Consolidated Statement of Comprehensive Income;
- the Consolidated Statement of Financial Position;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash flow;
- the Company Statement of Financial Position
- the Company Statement of Changes in Equity; and
- the Notes to the Consolidated Financial Statements and the Notes to the Company Financial Statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The financial reporting framework that has been applied in the preparation of the Parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 30 November 2018 and of the Group's loss for the year 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 United Kingdom Generally Accepted Accounting Practice; 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 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 SME 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.

The impact on our audit of uncertainties due to Britain exiting the European Union ('Brexit')

The directors' view on the impact of Brexit is disclosed on page 34.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications for the Group's and Parent company's trade, customers, and suppliers, and to the wider economy.

We considered the impact of Brexit on the Group and Parent company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Group's and Parent company's future prospects and performance. However, no audit should be expected to predict unknowable factors or all possible implications for the Group and Parent company, and this is particularly the case in relation to Brexit.

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 twelve 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 judgement, 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.

Revenue recognition

Key audit matter:
The Group's accounting policy for revenue recognition is set out in the accounting policy notes on "Revenue" on page 67. Under this policy, the amount of revenue recognised in a year will represent the fair value of the Group's entitlement to consideration in respect of services provided in that year. In determining the appropriate basis on which to recognise revenue, management considers contractual terms such as the right to upgrades.

Although the calculations for recognition and deferral of revenue from contracts covering more than one period are relatively straightforward, involving the allocation of revenue evenly over the contractual period, we have identified the risk of recognising revenue in an incorrect period ('cut off') as a key audit matter to reflect the significance of reported revenues to the users of the financial statements.

Our response:
Our audit procedures over revenue recognition included general procedures on the methodology adopted and the related control environment, in addition to substantive testing.

General procedures included, but were not limited to:

- review of the methodology applied in relation to revenue recognition for services provided under various contractual arrangements; and
- assessing the related internal control environment, including testing on a sample basis certain controls that we considered to be key in the determination of revenue to be recognised.

Substantive procedures included, but were not limited to:

- obtaining a reconciliation of cash receipts to revenue recognised in the year, testing reconciling items such as non-revenue related cash receipts, and movements in debtors, accrued revenue and deferred revenue;
- for a sample of contracts covering more than one period, agreement of both the contract value and term to signed contracts, and recalculation of both recognition and deferral of revenue;
- for a sample of contracts whereby revenue was recognised in November (final month of the financial year) and December (first month of subsequent financial year) perform tests of details to ensure that the revenue was recognised in the appropriate fiscal year.

Our findings:
The methodology used in determining the recognition and deferral of revenue was appropriate. No material errors in the application of the methodology were identified from our sample testing. No significant deficiencies in the operation of related controls were detected that required us to revise the nature and/or scope of planned audit procedures. Based on the audit procedures, we have not identified material misstatements in the level of revenue recognised in the financial statements.

Application of the going concern basis of preparation of financial statements

Key audit matter:
TThe Directors have summarised their assessment of the applicability of the going concern basis of preparation within the Directors' Report on page 33 and in the summary of significant accounting policies on page 61. The Group is reporting net current liabilities at the year end and a loss on operations during the year. The Group expects to incur further losses and cash outflows until such a time as the contribution from projected revenue increase covers operating costs. The Group has in the past been reliant on financial support of its shareholders.

In light of the above, we have identified the applicability of the going concern basis of preparation of financial statements and the adequacy and appropriateness of the related financial statement disclosures as a key audit matter.

Our response:
Our audit procedures over the applicability of the going concern basis of preparation of the financial statements and the adequacy and appropriateness of the related financial statement disclosures included, but were not limited to, the following:

- review of management's Board Paper on going concern, including challenging the key assumptions underlying management's cash flow projections;
- review of management's sensitivity analysis, including consideration of the appropriateness of sensitivities applied;
- performance of additional sensitivity analysis, review of contingency planning, and consideration of cash headroom levels; and
- in the light of the results of the procedures above, consideration as to whether the financial statement disclosures on going concern are adequate and appropriate.

Our findings:
The Directors have a reasonable basis for concluding that the going concern basis of preparation of the financial statements is appropriate. We conclude the related financial statement disclosures are adequate and appropriate.

Impairment of goodwill and other intangible assets

Key audit matter:
The Group's accounting policy in respect of intangible assets is set out in the accounting policy notes on 'Intangible assets – Goodwill', 'Intangible assets – Research and development expenditure', 'Intangible assets – Database', 'Intangible assets – Customer

Relationships', and 'Intangible assets – Brand Values' on pages 64 and 65. The Group's policy on impairment of assets is set out under 'Impairment of non-financial assets' on page 65. The Group's commentary on the related accounting estimates is set out under 'Significant estimates' on page 61.

Goodwill is not amortised, and requires an annual impairment review. For other assets, a full impairment review is required where the Directors have identified an indicator that the assets may be impaired. The Directors have concluded that the Group's reported operating losses represent an indicator of potential impairment, and have therefore performed a full impairment review on intangible assets and investments.

Reflecting the uncertainty associated with certain assumptions supporting the financial projections that underpin the Directors' impairment review, we have identified the impairment of goodwill and other assets as a key audit matter.

Our response:
Our audit procedures over the impairment of goodwill and other assets included general procedures on the methodology adopted and the related controls, in addition to substantive testing:

General procedures included, but were not limited to:

- review of the methodology used by the Directors for the impairment review, and
- consideration of the review and approval processes adopted.

Substantive procedures included, but were not limited to

- review of management's Board Paper on impairment, including challenging the key assumptions underlying management's discounted cash flow ('DCF') projections, such as revenue growth, cost savings, and discount rate;
- testing, on a sample basis, the calculations in the DCF projections;
- review of management's sensitivity analysis, including consideration of the appropriateness of sensitivities applied; and
- consideration of the related financial statement disclosures to assess whether they are adequate and appropriate.

Our findings:
The methodology used by the Directors in their impairment review of goodwill and intangible assets is appropriate. On the basis of our audit procedures, we consider that Directors' assessment that there is no further required impairment of goodwill and intangibles is reasonable.

Acquisition of Response Source Limited

Key audit matter
The Group acquired ResponseSource Limited ('RSL') during the year. The Group's accounting policy for the consolidation of acquired entities is set out in the accounting policy notes on 'Basis of consolidation' on page 62. Under IFRS 3 Business Combinations, the Group recognises the identifiable assets acquired, including intangible assets, at their fair value on the acquisition date. The Group's accounting policy in respect of acquired intangible assets is set out in the accounting policy notes on 'Intangible assets – Goodwill', 'Intangible assets – Database', 'Intangible assets – Customer Relationships', and 'Intangible assets – Brand Values' on pages 64 and 65.

Reflecting the requirement for management judgement in acquisition accounting, we have identified the identification of the provisional estimate of the fair value of the separate intangible assets and goodwill as a key audit matter.

Our response:
Our audit procedures on the accounting for the acquisition of RSL included review of the methodology applied by management to identify acquired intangible assets and to estimate provisionally the fair value of those assets. Our procedures included:

- review of management's Board Paper on acquisition accounting to gain an understanding of the applied methodology and underlying assumptions;
- with the assistance of our valuation experts, challenging management's identification of individual intangible assets and reviewing management's valuation methodology and underlying assumptions; and
- recalculating goodwill be reference to the valuation of acquired assets and the contractual consideration payable.

Our findings:
On the basis of our procedures, the Directors have identified appropriate acquired intangible assets and have made reasonable provisional valuations of those assets.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group and Parent company materiality	**£132,000**
How we determined materiality The Group considers reported revenue to be a key performance indicator, and is frequently used to provide an indicator of enterprise value in the software as a service (SaaS) sector. We therefore consider Group reported revenue to be an appropriate basis for determining materiality.	
Rationale for benchmark applied Having considered factors such as the Group's AIM listing and the limited external debt, we determined materiality at 1.5% of Group reported revenue for the year.	
Performance materiality – Group and Parent company We performed our audit procedures using a lower level of materiality – termed 'performance materiality' – which is set to reduce to an appropriate level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. Having considered factors such as the Group's control environment, we set performance materiality at 70% of overall materiality.	**£92,500**
Reporting threshold – Group and Parent company We agreed with the Audit Committee that we would report to that committee all identified corrected and uncorrected audit differences in excess of this level, together with differences below that level that, in our view, warranted reporting on qualitative grounds.	**£3,900**
Component performance materiality range	**£40,000-£80,000**

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We gained an understanding of the legal and regulatory framework applicable to the Group and Parent company, the structure of the Group and the Parent company and the industry in which it operates. We considered the risk of acts that could be considered to be contrary to applicable laws and regulations, including fraud. We designed our audit procedures to respond to those identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006. We tailored the scope of our Group audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the parent company and Group's accounting processes and controls and its environment and considered qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our tests included, but were not limited to, 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 irregularities including fraud, review of minutes of directors' meetings in the year and enquiries of management. As a result of our procedures, we did not identify any Key Audit Matters relating to irregularities, including fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under "Key audit matters" within this report.

Each of the Group's trading subsidiaries (AI MediaData Limited, Access Intelligence Media and Communications Limited, and ResponseSource Limited) was considered to be a significant component of the Group, and was subject to a full scope audit of its statutory financial statements performed by the Group engagement team to an appropriate entity-level materiality. The Group engagement team also tested the consolidation process.

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 year for which the financial statements are prepared is consistent with the financial statements;
- 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 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 34, 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 the audit 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.

Signed:

William Neale Bussey
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

25 March 2019

Consolidated Statement of Comprehensive Income

Year ended 30 November 2018

	Note	2018 £'000	2017 £'000
Revenue	3	**8,888**	8,063
Cost of sales		**(3,083)**	(2,823)
Gross profit		**5,805**	5,240
Recurring administrative expenses		**(5,771)**	(6,604)
Adjusted EBITDA		**34**	(1,364)
Non-recurring administrative expenses	5	**(473)**	(854)
Share of loss of associate	15	**(222)**	(254)
Share based payments	25	**-**	-
EBITDA		**(661)**	(2,472)
Depreciation of tangible fixed assets	16	**(78)**	(71)
Amortisation of intangible assets	14	**(818)**	(907)
Operating loss	5	**(1,557)**	(3,450)
Financial expense	10	**(160)**	(343)
Loss before taxation		**(1,717)**	(3,793)
Taxation credit	11	**362**	458
Loss for the year from continuing operations		**(1,355)**	(3,335)
(Loss)/profit for the year from discontinued operations	6	**(155)**	558
Loss for the year		**(1,510)**	(2,777)
Other comprehensive income		**-**	-
Total comprehensive income for the period attributable to the owners of the Parent Company		**(1,510)**	(2,777)

Earnings per share		**Continuing Operations 2018**	Continuing Operations 2017 Restated
Basic loss per share	13	**(2.98)p**	(10.15)p
Diluted loss per share	13	**(2.98)p**	(10.15)p

		Continuing and Discontinued Operations 2018	Continuing and Discontinued Operations 2017 Restated
Basic loss per share	13	**(3.32)p**	(8.45)p
Diluted loss per share	13	**(3.32)p**	(8.45)p

*2017 Earnings per share information has been restated to reflect the one-for-ten share consolidation completed in 2018.

Consolidated Statement of Financial Position

At 30 November 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Intangible assets	14	**14,033**	6,231
Investment in associate	15	**318**	280
Property, plant and equipment	16	**167**	146
Deferred tax assets	23	**37**	206
Total non-current assets		**14,555**	6,863
Current assets			
Trade and other receivables	17	**3,640**	2,968
Current tax receivables		**362**	458
Cash and cash equivalents	26	**5,300**	673
Assets classified as held for sale	7	**-**	270
Total current assets		**9,302**	4,369
Total assets		**23,857**	11,232
Current liabilities			
Trade and other payables	19	**3,913**	1,558
Accruals		**1,006**	1,149
Provisions	27	**75**	-
Deferred revenue	20	**6,354**	4,137
Interest bearing loans and borrowings	18	**210**	2,489
Liabilities classified as held for sale	7	**-**	260
Total current liabilities		**11,558**	9,593
Non-current liabilities			
Provisions	27	**96**	226
Interest bearing loans and borrowings	18	**867**	884
Deferred tax liabilities	23	**609**	206
Total non-current liabilities		**1,572**	1,316
Total liabilities		**13,130**	10,909
Net assets		**10,727**	323
Equity			
Share capital	24	**3,189**	1,743
Treasury shares		**(148)**	(148)
Share premium account		**13,075**	2,352
Capital redemption reserve		**191**	191
Share option reserve		**348**	348
Equity reserve		**-**	255
Retained earnings		**(5,928)**	(4,418)
Total equity attributable to the equity holders of the Parent Company		**10,727**	323

The consolidated financial statements were approved and authorised for issue by the Board of directors on 25 March 2019 and signed on its behalf by

J Arnold
Director

The notes on pages 60 to 101 form part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended 30 November 2018

	Share capital £'000	Treasury shares £'000	Share premium account £'000	Capital redemption reserve £'000	Share option reserve £'000	Equity reserve £'000	Retained earnings £'000	Total £'000
Group								
At 1 December 2016	**1,580**	**(148)**	**1,458**	**191**	**377**	**255**	**(1,670)**	**2,043**
Total comprehensive loss for the year	-	-	-	-	-	-	(2,777)	(2,777)
Issue of share capital	163	-	894	-	-	-	-	1,057
Share-based payments	-	-	-	-	(29)	-	29	-
At 1 December 2017	**1,743**	**(148)**	**2,352**	**191**	**348**	**255**	**(4,418)**	**323**
Total comprehensive loss for the year	-	-	-	-	-	-	(1,510)	(1,510)
Conversion of convertible loan notes	340	-	2,193	-	-	(255)	-	2,278
Issue of share capital	1,106	-	8,530	-	-	-	-	9,636
At 30 November 2018	**3,189**	**(148)**	**13,075**	**191**	**348**	**-**	**(5,928)**	**10,727**

Share capital and share premium account

When shares are issued, the nominal value of the shares is credited to the share capital reserve. Any premium paid above the nominal value is taken to the share premium account. Access Intelligence plc shares have a nominal value of 5p per share. Directly attributable transaction costs associated with the issue of equity investments are accounted for as a reduction from the share premium account.

Treasury shares

The returned shares are now held in treasury and attract no voting rights. The return of shares has been accounted for in accordance with IAS 32 'Financial instruments: Presentation' such that the instruments have been deducted from equity with no gain or loss recognised in profit or loss.

Share option reserve

This reserve arises as a result of amounts being recognised in the income statement relating to share-based payment transactions granted under the Group's share option scheme. The reserve will fall as share options vest and are exercised over the life of the options.

Capital redemption reserve

This reserve arises as a result of keeping with the doctrine of capital maintenance when the Company purchases and redeems its own shares. The amounts transferred into/out from this reserve from a purchase/redemption is equal to the amount by which share capital has been reduced/increased, when the purchase/redemption has been financed wholly out of distributable profits, and is the amount by which the nominal value exceeds the proceeds of any new issue of share capital, when the purchase/redemption has been financed partly out of distributable profits.

Equity reserve

The equity reserve arises as a result of the equity component that has been recognised on the convertible loan notes that have been issued by the Group (see note 18: 'Interest bearing loans and borrowings'). The reserve is determined by deducting the amount of the liability component from the fair value of the convertible loan notes as a whole, net of income tax effects and the relative proportion of the directly attributable transaction costs associated with the issue of the compound instruments.

Retained earnings

The retained earnings reserve records the accumulated profits and losses of the Group since inception of the business. Where subsidiary undertakings are acquired, only profits and losses arising from the date of acquisition are included.

Consolidated Statement of Cash Flow

Year ended 30 November 2018

	Note	2018 £'000	2017 £'000
Loss for the year		**(1,510)**	(2,777)
Adjusted for:			
Taxation	11	**(362)**	(458)
Depreciation and amortisation	14,16	**896**	978
Financial expense	10	**160**	343
Share of loss of associate		**222**	254
Profit on sale of AIControlPoint Limited	6	**-**	(592)
Loss on sale of A.I. Talent Limited	6	**64**	-
Operating cash outflow before changes in working capital		**(530)**	(2,252)
Decrease/(Increase) in trade and other receivables		**174**	(576)
Increase in trade and other payables		**2,414**	731
Net cash inflow/(outflow) from operations before taxation		**2,058**	(2,097)
Taxation received		**458**	436
Net cash inflow/(outflow) from operations		**2,516**	(1,661)
Cash flows from investing			
Acquisition of property, plant and equipment	16	**(78)**	(118)
Acquisition of software licenses	14	**(36)**	(79)
Cost of software development	14	**(1,344)**	-
Disposal of AIControlPoint (net of expenses)	6	**-**	615
Disposal of A.I. Talent Limited (net of expenses)	6	**(5)**	-
less: cash and cash equivalents disposed of	6	**(142)**	-
Move to held for sale of A.I. Talent Limited		**-**	(5)
Investment in associate	15	**(260)**	-
Acquisition of ResponseSource Ltd	8	**(5,000)**	-
Net cash (outflow)/inflow from investing		**(6,865)**	413
Cash flows from financing activities			
Interest paid		**(160)**	(298)
Issue of shares	24	**9,136**	1,017
Exercise of share options	24	**-**	40
Net cash inflow from financing		**8,976**	759
Net increase/(decrease) in cash and cash equivalents	26	**4,627**	(489)
Opening cash and cash equivalents	26	**673**	1,162
Closing cash and cash equivalents	26	**5,300**	673

The notes on pages 60 to 101 form part of these financial statements.

Notes to the Consolidated Financial Statements

1. General Information

Access Intelligence Plc ('the Company') and its subsidiaries (together the 'Group') provide software for companies looking to build, maintain and protect their reputation through communications management.

The Company is a public limited company under the Companies Act 2006 and is listed on the AIM market of the London Stock Exchange and is incorporated and domiciled in the UK. The address of the Company's registered office is provided in the Directors and Advisers page of this Annual Report.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been applied consistently to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS's') as adopted by the European Union, and with those parts of the Companies Acts applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention and on a going concern basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Going concern

The Strategic Report and opening pages to the annual report discuss Access Intelligence's business activities and headline results, together with our financial statements and notes which detail the results for the year, net current liability position and cash flows for the year ended 30 November 2018. The Board has further considered 12 month cash flow forecasts from the date of signing the accounts and consider the assumptions used therein to be reasonable and reflective of the long-term 'software as a service' contracts and contracted recurring revenue.

The Board has concluded that they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Significant judgements

In addition to going concern, the areas involving a high degree of judgement or complexity relate to:

- the recognition of deferred tax assets in relation to losses (refer to note 23); and
- the recoverability of trade receivables (refer to note 17).

Significant estimates

Further to the significant judgements above the areas where key assumptions and estimates have been made by management relate to:

- the impairment testing of goodwill and capitalised development costs and other non-current assets. A full impairment review has been performed on a "value in use" basis, which requires estimation of future net operating cashflows, the time period over which they occur, an appropriate discount rate and an

appropriate growth rate. Further details, including sensitivity analysis are given in note 14 and the accounting policy is set out in note 2; and
- the charge for share-based payment transactions which include assumptions on future share prices movements, expected future dividends, and risk-free discount rates (refer to note 25).

New standards and interpretations

The adoption of the following mentioned amendments in the current year have not had a material impact on the Group's/Company's financial statements.

- Amendment to IAS 7 Statement of Cash Flows: Disclosure initiative
- Amendment to IAS 12 Income Taxes: Recognition of deferred tax assets for unrealised losses
- Annual Improvements to IFRSs (2014 - 2016): Clarification of the scope of IFRS 12 Disclosure of Interests in Other Entities

New standards, amendments and interpretations issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. The listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company does not intend to adopt those standards until they become effective.

The group has not yet adopted IFRS 9 'Financial Instruments' (Issued July 2014), IFRS 15 'Revenue from Contracts with Customers' (Issued May 2014), Clarifications to IFRS 15 'Revenue from Contracts with Customers' (Issued April 2016) and IFRS 16 'Leases' (Issued January 2016). The directors have undertaken an assessment of IFRS 9 and IFRS 15, and do not consider the impact of these to be material to the Group. The directors are undertaking a preliminary assessment of the implementation of IFRS 16, however a more thorough review of the impact of the standards will be performed ahead of the next financial reporting period. IRFS 9 and IFRS 15 are effective for accounting periods beginning on or after 1 January 2018. IFRS 16 is effective for accounting periods beginning on or after 1 January 2019.

Effective for November 2019 financial statements

- Amendment to IFRS 2 Share-based Payment: Classification and measurement of share-based payment transactions
- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- Clarifications to IFRS 15 Revenue from Contracts with Customers
- Annual Improvements to IFRSs (2014 - 2016): IFRS 1 First-time Adoption of International Financial Reporting Standards and IAS 28 Investments in Associates and Joint Ventures
- IFRIC 22 Foreign Currency Transactions and Advance Consideration

Effective for November 2020 financial statements

- Amendments to IAS 28 Investments in Associates and Joint Ventures: Long-term interests in Associates and Joint Ventures
- Amendments to IFRS 9 Financial Instruments: Prepayment features with negative compensation
- IFRS 16 Leases
- IFRIC 23 Uncertainty over Income Tax Treatments

Basis of consolidation

The Group financial statements comprise the financial statements of the Company and all of its subsidiary undertakings made up to the financial year end. Subsidiaries are entities that are controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The results of subsidiary undertakings acquired or disposed of in the year are included in the Group statement of comprehensive income from the effective date of acquisition or to the effective date of disposal. Accounting policies are consistently applied throughout the Group. Inter-company balances and transactions have been eliminated. Material profits from inter-company sales, to the extent that they are not yet realised outside the Group, have also been eliminated.

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the Group's investments in associates are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Disposal groups held for sale

The Group classifies assets and liabilities as held for sale once they are available for sale in their present condition and the sale satisfies the criteria to be highly probable. The held for sale classification applies to a group of assets and liabilities directly associated with those assets, to be disposed of in a single transaction.

Disposal groups classified as held for sale are carried at the lower of the carrying amount and fair value less costs to sell. Assets that form part of disposal groups classified as held for sale are not depreciated or amortised.

Discontinued operations

The Group classifies an operation as discontinued from the earlier of the date the operation meets the criteria to be classified as held for sale or the date the Group disposes of the operation.

Results of discontinued operations are shown separately in the statement of comprehensive income. Prior periods are re-presented so that the presentation relates to all periods for operations that have been discontinued by the end of the current reporting period.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of fixtures, fittings and equipment taking into account any estimated residual value. The estimated useful lives are as follows:

Fixtures, fittings and equipment - 3 - 5 years

Leasehold improvements - over lease term

Intangible assets - Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets and contingent liabilities acquired. Identifiable intangible assets are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is allocated to cash generating units and is not amortised, but is tested annually for impairment.

Intangible assets - Research and development expenditure

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation of the asset begins from the date development is complete and the asset is available for use, which may be before first sale. It is amortised over the period of expected future benefit. Amortisation is recorded in administration expenses. During the period of development, the asset is tested for impairment annually.

In 2018 there were five (2017: Nil) capitalised development projects. The prior year projects both related to the development of new functionality within the Vuelio platform. The directors assessed the capitalisation criteria of its internally generated material intangible assets through review of the output of the work performed, the specific costs proposed for capitalisation, the likely completion of the work and the likely future benefits to be generated from the work. The directors assess the useful life of the completed capitalised development projects to be five years from the date of the first sale or when benefits begin to be realised and amortisation will begin at that time.

Intangible assets - Database

On acquisition in prior years, a fair value was calculated in respect of the PR and media contacts database acquired. Subsequent expenditure on maintaining this database is expensed as incurred. Amortisation is calculated on a straight-line basis over the estimated useful economic life of the database. It is the directors' view that this useful economic life is three years based on the level of ongoing investment required to maintain the quality of data in the database.

Intangible assets - Customer relationships

On acquisition of businesses, a fair value was calculated in respect of the customer relationships acquired. Amortisation is calculated on a straight-line basis over the estimated useful economic life of the customer relationships. It is the directors' view that this useful economic life is up to nine years, based on known and forecast customer retention rates.

Intangible assets - Brand value

Acquired brands, which are controlled through custody or legal rights and could be sold separately from the rest of the Group's businesses, are capitalised where fair value can be reliably measured. The Group applies a 20-year straight line amortisation policy on all brand values. The conclusion is that a realistic life for the brand equity would be a 'generation' or 20 years. Where there is an indication of impairment, the directors will perform an impairment review by analysing the future discounted cash flows over the remaining life of the brand asset to determine whether impairment is required.

Software licences

Software licences include software that is not integral to a related item of hardware. These items are stated at cost less accumulated amortisation and any impairment. Amortisation is calculated on a straight line basis over the estimated useful economic life. Although perpetual licences are maintained under support and maintenance agreements, a useful economic life of five years has been determined.

Impairment of non-financial assets

The carrying amounts of the Group's assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based upon the value in use.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date. The recoverable amount is the higher of the fair value less costs to sell and value in use of the cash generating unit containing the goodwill or intangible assets with an indefinite useful life.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to the carrying amount of the goodwill allocated to that cash-generating unit and then to the carrying amount of the other assets in the unit on a pro rata basis, applied in priority to non-current assets ahead of more liquid items. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables and other financial liabilities.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or are cancelled.

Trade and other receivables are recorded initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. Specific impairment provisions are made when management consider the debtor irrecoverable and these are charged to the income statement. Trade and other payables are recorded initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments.

Loans and borrowings and other financial liabilities, which include the convertible redeemable loan notes, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Interest expense is measured on an effective yield basis and recognised in the income statement over the relevant period.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based upon their relative carrying amounts at the date of issue. The portion relating to the equity component is recognised in equity. Finance payments associated with financial liabilities are dealt with as part of finance expenses.

The Group may enter into derivative financial instruments for risk management purposes. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value with gains and losses recognised through profit or loss. The Group does not hold or issue derivative financial instruments for trading purposes.

Convertible loan notes

The component parts of compound instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, in the case of a convertible loan note denominated in the functional currency of the issuer that may be converted into a fixed number of equity shares, the fair value of the liability component is estimated at the present value of the stream of future cash flows (including both coupon payments and redemption) discounted at the market rate of interest that would have been applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion option. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. Non-substantial modifications are accounted for by amortising any adjustment to the carrying amount of the liability over the remaining term of the modified liability.

The equity component is determined by deducting the amount of the liability component and deferred tax liability from the fair value of the compound instrument as a whole. This is recognised and included in equity, and is not subsequently re-measured.

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future, against which the reversal of temporary differences can be deducted. Recognition, therefore, involves judgement regarding the future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised.

Historical differences between forecast and actual taxable profits have not resulted in material adjustments to the recognition of deferred tax assets.

Share-based payments

The Group issues equity-settled share-based payments to certain employees. These equity-settled share-based payments are measured at fair-value at the date of the grant. Where material, the fair value as determined at the grant date 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 Black–Scholes method. The charges to profit or loss are recognised in the subsidiary employing the individual concerned.

Employee benefits

Individual subsidiaries of the Group operate defined contribution pension schemes for their employees. The assets of the schemes are not managed by the Group and are held separately from those of the Group. The annual contributions payable are charged to the income statement when they fall due for payment.

Revenue

Revenue represents the amounts derived from the provision of goods and services, stated net of Value Added Tax. The methodology applied to income recognition is dependent upon the goods or services being supplied.

In respect of income relating to annual or multi-year service contracts and/or hosted services which are invoiced in advance, it is the Group's policy to recognise revenue on a straight line basis over the period of the contract. The full value of each sale is credited to deferred revenue when invoiced to be released to the statement of comprehensive income in equal instalments over the contract period.

During the course of a customer's relationship with the Group, their system may be upgraded. These upgrades can be separated into two distinct types:

- Specific upgrades, i.e. moving from an old legacy system to one of the Group's latest products. This would require the migration of the customer's data from the old system and the set-up of their new system; and
- Non-specific upgrades, i.e. enhancements to customers' systems as a result of internal development effort to improve the stability or functionality of the platform for all customers.

Customers do not have a contractual right to non-specific upgrades and therefore, the provision of these non-specific upgrades are accounted for as part of the related service contract as explained above.

For specific upgrades, customers are required to purchase these separately through signing a new contract which sets out the one-off professional service fee for the upgrade to cover migration costs and any increase in their annual subscription fee. The provision of this specific upgrade is therefore, accounted for as a separate service contract as explained above.

The Group does not have any further obligations that it would have to provide for under the subscription arrangements.

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance income and finance expenses

Finance income and finance expenses are recognised in profit or loss as they accrue, using the effective interest method. Finance income relates to interest income on the Group's bank account balances.

Interest payable comprises interest payable or finance charges on loans classified as liabilities.

In relation to interest relating to the convertible redeemable loan notes, the charge to profit or loss is an 'effective interest charge' over the period as opposed to the actual interest paid or payable. The effective interest charge is higher than the actual interest paid.

Dividend distributions

Dividend distributions are recognised as transactions with owners on payment when liability to pay is established.

Foreign exchange

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

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the year.

3. Revenue

The Group's revenue is primarily derived from the rendering of services with the value of sales of goods or delivery of infrastructure not being significant in relation to total Group revenue.

The Group's revenue was generated from the following territories:

	Continuing Operations 2018 £'000	Continuing Operations 2017 £'000
United Kingdom	**8,189**	7,296
European Union	**453**	448
Rest of the world	**246**	319
	8,888	8,063

4. Segment reporting

Segment information is presented in respect of the Group's operating segments which are based upon the Group's management and internal business reporting.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses.

Segment non-current asset additions show the amounts relating to property, plant and equipment and intangible assets including goodwill. All non-current assets are located in the UK.

Operating segments

The Group operating segments have been decided upon according to their revenue model and product or service offering being the information provided to the Chief Executive Officer and the Board. The Reputation segment derives its revenues from software subscription sales and support and training revenues. The segments are:

- Reputation
- Discontinued - Disposals & Held for Sale
- Head Office

2018

The segment information for the year ended 30 November 2018, is as follows:

	Reputation £'000	Head office £'000	Consolidation adjustment £'000	Continuing operations £'000	Discontinued Disposals £'000	Discontinued Held for sale £'000	Consolidations adjustment £'000	Discontinued operations £'000	Total £'000
External revenue	8,888	-	-	**8,888**	145	-	-	**145**	**9,033**
(Loss)/profit pre below adjustments	(1,430)	(37)	132	**(1,335)**	(91)	-	-	**(91)**	**(1,426)**
Share of loss of associate	-	(222)	-	**(222)**	-	-	-	**-**	**(222)**
Loss on sale of subsidiary	-	-	-	**-**	-	-	(64)	**(64)**	**(64)**
Financial expense	(6)	(154)	-	**(160)**	-	-	-	**-**	**(160)**
Taxation	362	-	-	**362**	-	-	-	**-**	**362**
(Loss)/Profit after taxation	(1,074)	(413)	132	**(1,355)**	(91)	-	(64)	**(155)**	**(1,510)**
Reportable segment assets	1,257	23,691	(1,092)	**23,856**	-	-	-	**-**	**23,856**
Reportable segment liabilities	(6,891)	(6,559)	320	**(13,130)**	-	-	-	**-**	**(13,130)**
Other information: Additions to property, plant and equipment	78	-	-	**78**	-	-	-	**-**	**78**
Depreciation and amortisation	1,193	34	(331)	**896**	2	-	-	**-**	**896**

2017

The segment information for the year ended 30 November 2017, is as follows:

	Reputation £'000	Head office £'000	Consolidation adjustment £'000	Continuing operations £'000	Discontinued Disposals £'000	Discontinued Held for sale £'000	Consolidations adjustment £'000	Discontinued operations £'000	Total £'000
External revenue	8,063	-	-	**8,063**	328	388	-	**716**	**8,779**
(Loss)/profit pre below adjustments	(3,297)	(303)	404	**(3,196)**	151	(185)	-	**(34)**	**(3,230)**
Share of loss of associate	-	(254)	-	**(254)**	-	-	-	**-**	**(254)**
Profit on sale of subsidiary	-	-	-	**-**	-	-	592	**592**	**592**
Financial income	-	-	-	**-**	-	-	-	**-**	**-**
Financial expense	(5)	(338)	-	**(343)**	-	-	-	**-**	**(343)**
Taxation	458	-	-	**458**	-	-	-	**-**	**458**
(Loss)/Profit after taxation	(2,844)	(895)	404	**(3,335)**	151	(185)	592	**558**	**(2,777)**
Reportable segment assets	8,583	9,751	(7,324)	**10,980**	-	270	-	**270**	**11,250**
Reportable segment liabilities	13,996	4,262	(7,591)	**10,667**	-	260	-	**260**	**10,927**
Other information: Additions to property, plant and equipment	28	90	-	**118**	-	-	-	**-**	**118**
Depreciation and amortisation	1,366	35	(423)	**978**	-	6	-	**6**	**984**

5. Operating Loss

Operating loss is stated after charging

	2018 £'000	2017 £'000
Depreciation of property, plant and equipment	**78**	71
Amortisation of development costs	**311**	287
Amortisation of brand values	**61**	60
Amortisation of software licences	**64**	62
Amortisation of database	**201**	332
Amortisation of customer list	**181**	166
Loss on foreign currency translation	**12**	11
Non-recurring items (see below)	**473**	854
Operating lease charges - land and buildings	**358**	509
Auditor's remuneration (see below)	**96**	55
Research and development and other technical expenditure (income statement) (a further £1,344,000 (2017: £Nil) was capitalised)	**526**	1,595
Increase in provision for receivables	**130**	54

The non-recurring costs are made up of the following:

	2018 £'000	2017 £'000
Compensation and notice payments - all staff	**20**	107
Acquisition costs	**183**	-
Non-recurring transitional hosting, migration and integration costs	**270**	747
	473	854

Auditor's remuneration is further analysed as:

	2018 £'000	2017 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**31**	24
The audit of the Company's subsidiaries, pursuant to legislation	**33**	23
Tax services	**8**	8
Non-audit fees related to acquisitions	**24**	-
	96	55

6. Discontinued operations

A.I. Talent Ltd

In May 2018, the Group sold its subsidiary A.I. Talent Ltd for cash consideration of £1. This business unit had been reported as a discontinued operation and classified as held for sale at 30 November 2017 following the commitment of the Group's management in 2017 to sell the entity.

	2018 £'000	2017 £'000
Results of discontinued operations		
Revenue	**145**	388
Expenses	**(236)**	(573)
Results from operating activities	**(91)**	(185)
Tax	**-**	-
Results from operating activities, net of tax	**(91)**	(185)
Loss on sale of discontinued operation	**(64)**	-
Tax on gain on sale of discontinued operation	**-**	-
Loss for the year from discontinued operations	**(155)**	(185)
Earnings per share		
Basic earnings per share	**(0.34)p**	(0.56)p
Diluted earnings per share	**(0.34)p**	(0.56)p

	2018 £'000	2017 £'000
Cash flows from/(used in) discontinued operation		
Net cash from operating activities	**(6)**	(236)
Net cash used in investing activities	**-**	-
Net cash used in financing activities	**-**	-
Net cash flows for the year	**(6)**	(236)

The following is a breakdown of the effects of the disposal of A.I. Talent Ltd on the financial position of the Group:

	2018 £'000
Trade and other receivables	**72**
Cash and cash equivalents	**142**
Deferred tax assets	**1**
Trade and other payables	**(295)**
Net assets	**(80)**
Consideration received, satisfied in cash	**-**
Cash and cash equivalents disposed of	**142**

AIControlPoint Limited

In March 2017, the Group sold its subsidiary AIControlPoint Limited for cash consideration of £745,000. This business unit as reported as a discontinued operation and classified as held for sale at 30 November 2016 following the commitment of the Group's management in 2016 to sell the entity.

	2018 £'000	2017 £'000
Results of discontinued operations		
Revenue	-	328
Expenses	-	(178)
Results from operating activities	-	151
Tax	-	-
Results from operating activities, net of tax	-	151
Gain on sale of discontinued operation	-	592
Tax on gain on sale of discontinued operation	-	-
Profit for the year from discontinued operations	-	743
Earnings per share		
Basic earnings per share	-	2.26p
Diluted earnings per share	-	2.26p

	2018 £'000	2017 £'000
Cash flows from/(used in) discontinued operation		
Net cash from operating activities	-	-
Net cash used in investing activities	-	-
Net cash used in financing activities	-	-
Net cash flows for the year	-	-

All discontinued operations

The following tables provide combined information for all discontinued operations. The current year figures include the results of A.I. Talent Ltd plus consolidation adjustments. The prior year comparative figures include the results AIControlPoint Limited, which was sold during the year ended 30 November 2017, and A.I. Talent Ltd, which was held for sale in 2017 and was sold during the year ended 30 November 2018.

	2018 £'000	2017 £'000
Results of discontinued operations		
Revenue	**145**	716
Expenses	**(236)**	(750)
Results from operating activities	**(91)**	(34)
Tax	**-**	-
Results from operating activities, net of tax	**(91)**	(34)
(Loss)/Gain on sale of discontinued operation	**(64)**	592
Tax on gain on sale of discontinued operation	**-**	-
(Loss)/profit for the year from discontinued operations	**(155)**	558
Earnings per share		
Basic earnings per share	**(0.34)p**	1.70p
Diluted earnings per share	**(0.34)p**	1.70p

The loss from discontinued operations of £155,000 (2017: profit of £558,000) is entirely attributable to the owners of the Company.

	2018 £'000	2017 £'000
Cash flows from/(used in) discontinued operation		
Net cash from operating activities	**(6)**	(236)
Net cash used in investing activities	**-**	-
Net cash used in financing activities	**-**	-
Net cash flows for the year	**(6)**	(236)

7. Disposal group held for sale

At the prior year end, A.I. Talent Limited was presented as a disposal group held for sale following the commitment of the Group's management to a plan to sell the entity with the sale being completed on 9 May 2018.

At 30 November, the disposal group comprised the following assets and liabilities:

Assets classified as held for sale	**2018 £'000**	2017 £'000
Goodwill	-	-
Development costs	-	-
Other intangible fixed assets	-	2
Property, plant and equipment	-	-
Trade and other receivables	-	263
Cash and cash equivalents	-	5
	-	270

Liabilities classified as held for sale	**2018 £'000**	2017 £'000
	-	
Trade and other payables	-	12
Deferred income	-	248
Deferred tax liabilities	-	-
	-	260

8. Acquisition of business

On 9 October 2018, the Group entered into a share purchase agreement to acquire the entire issued share capital of ResponseSource Ltd ("ResponseSource"). The consideration for the acquisition was: £5,000,000 payable in cash plus the agreed amount of free cash in ResponseSource at the date of Completion; and £0.5 million by the allotment and issue of 793,651 Ordinary Shares of 5p each at a price of 63 pence per share.

The acquisition was completed on 5 November 2018 with payment of the initial cash consideration of £5,000,000 and allotment of the 793,651 Consideration Shares.

An additional £1,854,000 consideration was paid on 17 December 2018 in respect of free cash in ResponseSource at the date of Completion. A further £200,000 has been retained in respect of a possible pre-acquisition tax liability of ResponseSource that has not yet crystallised. Should any tax charge crystallise, this will be deducted from the £200,000 retention with the balance being paid to the vendors.

The Board believe that the acquisition will fulfil a current need and longer term strategic aim to strengthen the Group's service to the journalist and PR sectors by improving Access

Intelligence's media data and press release wire offering, as well as providing major upsell opportunities for core Vuelio services to ResponseSource's customers.

In the three-week period that ResponseSource was owned by the Group, it contributed revenue of £222,000 and a loss of £1,000. Had ResponseSource been included within the Group's results since 1 December 2017, total Group revenue would have been £12,090,000, adjusted EBITDA would have been £705,000, and total Group loss after tax would have been £1,073,000.

Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

	£'000
Cash – Initial consideration	5,000
Cash – Deferred consideration (paid post year end)	1,854
Cash – Deferred consideration (not yet paid)	200
Shares	500
Total consideration	**7,554**

Acquisition related costs

The Group incurred acquisition related costs of £183,000 on legal fees, due diligence costs and stamp duty.

These costs have been included in 'non-recurring expenses'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

The intangible assets identified primarily comprise the fair values estimated for the software platform, media contacts database, customer list and brand acquired.

	£'000
Property, plant and equipment	22
Intangible assets	3,466
Trade and other receivables	761
Cash and cash equivalents	2,198
Trade and other payables	(320)
Deferred tax	(572)
Accruals and deferred income	(1,770)
Total identifiable net assets acquired	**3,785**
Goodwill	3,769
Total consideration	**7,554**

A cost-based approach was used to value the software platform, determining the likely cost of building an equivalent software platform from new. The useful life of the software platform has been estimated at 5 years.

A cost-based approach was used to value the media contacts database, determining the likely cost of building an equivalent media contacts database from new. The useful life of the database has been estimated at 3 years.

The customer list was valued by assessing a discounted cash flow for the acquired customer list, based on customer attrition rates and using a discount factor of 12%. This discount factor is in line with value-in-use calculations performed for intangibles testing (see Note 14). The useful life of the customer list has been estimated at 9 years.

Trade and other receivables include gross contractual amounts due of £622,000, of which £Nil was expected to be uncollectable at the date of acquisition.

Accruals and deferred income includes an amount of £1,671,000 which relates to the fair value of deferred revenue acquired. The fair value has been estimated based on the value of deferred revenue relating to contracts transferred, discounted in accordance with IFRS.

Goodwill

Goodwill recognised on this acquisition represents the difference between the consideration paid and the fair value of the net assets acquired. It includes the value inherent in the assembled workforce acquired. The goodwill arising has been recognised as follows:

	£'000
Consideration transferred	**7,554**
Fair value of identifiable net assets	**3,785**
Goodwill	**3,769**

9. Particulars of employees

	2018	2017
The average number of persons (including directors) employed by the Group during the year was:		
Technical and support	**45**	49
Commercial	**34**	40
Finance and administration	**21**	13
	100	102

Costs incurred in respect of these employees were:

	2018 £'000	2017 £'000
Wages and salaries costs	**5,207**	4,801
Social security costs	**483**	452
Pension costs	**99**	130
Health insurance	**11**	16
Employee benefits	**7**	-
Compensation for loss of office	**20**	107
	5,826	5,505

The compensation for loss of office charge of £20,000 (2017: £107,000) relates to 3 employees (2017: 16 employees) who were made redundant during the year.

The reportable key management personnel are considered to be comprised of the Company directors, the remuneration for whose services during the year is detailed in the table below.

Directors' remuneration

	Salaries £	Fees £	2018 £	2017 £
Executive Directors				
J Arnold	211,631	-	**211,631**	212,225
M Fautley	107,339	-	**107,339**	-
Non-Executive Directors				
C Satterthwaite	20,000	-	**20,000**	-
M Jackson	40,000	-	**40,000**	40,000
C Pilling	-	30,000	**30,000**	30,000
J Hamer	-	30,000	**30,000**	5,000
D Lowe	-	-	**-**	20,000
	378,970	60,000	**438,970**	307,225

J Arnold received health insurance benefits during the year of £462 (2017: £615). J Arnold received payments into a personal retirement money purchase pension scheme during the year of £6,509 (2017: £7,725).

M Fautley received payments into a personal retirement money purchase pension scheme during the year of £4,685 (2017:£Nil).

No other directors received any other benefits other than those detailed above.

The number of directors at 30 November 2018 accruing retirement benefits under money purchase schemes was two (2017: one).

The interests of the directors in share options are detailed in the Directors' Report on page 31 of this report. No directors exercised share options during the year.

10. Financial expense

	2018 £'000	2017 £'000
Effective interest charged on convertible loan notes	**44**	231
Interest charged on non-convertible loan notes	**110**	106
Other interest	**6**	6
Total financial expense	**160**	343

11. Taxation

	2018 £'000	2017 £'000
Current income tax:		
UK corporation tax credit for the year	**(362)**	(458)
Adjustment in respect of prior year	**-**	-
Total current income tax credit	**(362)**	(458)
Deferred tax (note 23)		
Origination and reversal of temporary differences	**-**	-
Total deferred tax	**-**	-
Total tax credit	**(362)**	(458)

As shown above the tax assessed on the loss on ordinary activities for the year is lower than (2017: higher than) the standard rate of corporation tax in the UK of 19% (2017: 20%).

The differences are explained as follows:

Factors affecting tax credit	2018 £'000	2017 £'000
Loss on ordinary activities before tax from continuing operations	**(1,717)**	(3,793)
(Loss)/profit on ordinary activities before tax from discontinued operations	**(155)**	558
Loss on ordinary activities before tax	**(1,872)**	(3,235)
Loss on ordinary activities multiplied by effective rate of tax	**(356)**	(647)
Items not deductible for tax purposes	**340**	25
Items not taxable for tax purposes	**(65)**	(85)
Adjustment in respect of prior years	**-**	-
Additional R&D claim CTA 2009	**(312)**	(193)
Deferred tax not recognised	**31**	442
Total tax credit	**(362)**	(458)
Tax credit reported in the Consolidated Statement of Comprehensive Income	**(362)**	(458)
Tax charge attributable to discontinued operations	**-**	-
Total tax credit	**(362)**	(458)

Factors that may affect future tax expenses

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted in October 2015. A further reduction in the tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted in September 2016. These rates therefore have been considered when calculating the deferred tax at the reporting date.

12. Dividend paid

Due to the significant and ongoing investment in developing our products, the directors do not propose a dividend in respect of the year ended 30 November 2018.

13. Earnings per share

The calculation of earnings per share is based upon the total Group loss for the year of £1,510,000 (2017: loss of £2,777,000) divided by the weighted average number of ordinary shares in issue during the year which was 45,523,476 (2017 restated: 32,864,538).

In 2018 and 2017 potential ordinary shares from the share option schemes and convertible loan notes have an anti-dilutive effect due to the Group being in a loss making position. As a result, dilutive loss per share is disclosed as the same value as basic loss per share.

This has been computed as follows:

	Continuing Operations	**Discontinued Operations**	**Total**	Continuing Operations	Discontinued Operations	Total
Numerator	**2018 £'000**	**2018 £'000**	**2018 £'000**	2017 £'000	2017 £'000	2017 £'000
(Loss)/profit for the year and earnings used in basic EPS	**(1,355)**	**(155)**	**(1,510)**	(3,335)	558	(2,777)
Earnings used in diluted EPS	**(1,355)**	**(155)**	**(1,510)**	(3,335)	558	(2,777)
Denominator						
Weighted average number of shares used in basic EPS ('000)	**45,523**	**45,523**	**45,523**	32,864	32,864	32,864
Effects of:						
Dilutive effect of options	**N/A**	**N/A**	**N/A**	N/A	N/A	N/A
Dilutive effect of loan note conversion	**N/A**	**N/A**	**N/A**	N/A	N/A	N/A
Weighted average number of shares used in diluted EPS ('000)	**45,523**	**45,523**	**45,523**	32,864	32,864	32,864
Basic (Loss)/earnings per share (pence)	**(2.98)**	**(0.34)**	**(3.32)**	(10.15)	1.70	(8.45)
Diluted loss per share for the year (pence)	**(2.98)**	**(0.34)**	**(3.32)**	(10.15)	1.70	(8.45)

The total number of options or warrants granted at 30 November 2018 of 1,951,837 (2017 restated: 1,951,837), would generate £567,305 (2017: £567,305) in cash if exercised. At 30 November 2018, no options (2017 restated: 222,000) were priced above the mid-market closing price of 58p per share (2017 restated: 46.25p per share) and 1,951,837 (2017 restated: 1,729,837) were below.

Of the 1,951,837 options and warrants at 30 November 2018, 322,000 (2017 restated: 322,000) staff options were eligible for exercising at an average price of 26.9p (2017 restated: 26.9p). Also eligible for exercising were the 1,429,837 (2017 restated: 1,429,837) warrants priced at 27.5p per share held by Elderstreet VCT plc and other individuals consequent to an initial investment in the Company in October 2008.

14.Intangible fixed assets

	Brand Value £'000	Goodwill £'000	Development Costs £'000	Software Licences £'000	Database £'000	Customer relationships £'000	Total £'000
Cost							
At 1 December 2016	1,369	9,176	1,918	143	997	830	14,433
Capitalised during the year	-	-	-	79	-	-	79
Disposals	-	-	-	-	-	-	-
Held for sale	-	-	(765)	(26)	-	-	(791)
At 30 November 2017	**1,369**	**9,176**	**1,153**	**204**	**997**	**830**	**13,729**
Capitalised during the year	-	-	1,344	36	-	-	1,380
On acquisition	306	3,769	1,690	75	273	1,122	7,235
Disposals	-	(5,205)	-	(3)	-	-	(5,208)
At 30 November 2018	**1,675**	**7,740**	**4,187**	**312**	**1,270**	**1,952**	**17,136**
Amortisation and impairment							
At 1 December 2016	529	5,205	880	51	410	296	7,371
Charge for the year	60	-	287	62	332	166	907
Disposals	-	-	-	-	-	-	-
Held for sale	-	-	(765)	(23)	-	-	(788)
At 30 November 2017	**589**	**5,205**	**402**	**90**	**742**	**462**	**7,490**
Charge for the year	61	-	311	64	201	181	818
Disposals	-	(5,205)	-	-	-	-	(5,205)
At 30 November 2018	**650**	**-**	**713**	**154**	**943**	**643**	**3,103**
Net Book Value							
At 30 November 2018	**1,025**	**7,740**	**3,474**	**158**	**327**	**1,309**	**14,033**
At 30 November 2017	780	3,971	751	106	255	368	6,231

The carrying value and remaining amortisation period of individually material intangible assets are as follows:

	Carrying amount		Remaining amortisation period	
	2018 £'000	2017 £'000	**2018 Years**	2017 Years
Brand				
Access Intelligence Media and Communications	**720**	780	**12**	13
ResponseSource	**305**	-	**20**	-
Development Costs				
Access Intelligence Media and Communications - Vuelio Platform Development	**86**	210	**3**	4
AIMediaData - Vuelio Platform Development	**1,723**	541	**5**	4
ResponseSource - Platform Development	**1,665**	-	**5**	-
Database				
AIMediaData - PR & Media Contacts Database	**61**	255	**-**	1
ResponseSource - PR & Media Contacts Database	**266**	-	**3**	-
Customer Relationships				
AIMediaData - Acquired Customer Relationships	**202**	368	**2**	3
ResponseSource - Acquired Customer Relationships	**1,107**	-	**9**	-

For the purpose of impairment testing, goodwill is allocated by entity, which represent the Group's CGUs and the lowest level within the Group at which the goodwill is monitored.

The carrying value of goodwill allocated to each CGU is:

2018	**Goodwill £'000**
Continuing operations	
Access Intelligence Media and Communications Limited	**1,928**
AIMediaData Limited	**2,043**
ResponseSource Ltd	**3,769**
	7,740

2017	**Goodwill £'000**
Continuing operations	
Access Intelligence Media and Communications Limited	**1,928**
AIMediaData Limited	**2,043**
	3,971

At the reporting date, impairment tests were undertaken by comparing the carrying values of goodwill, capitalised development costs and other assets with the recoverable amount of the CGU to which the goodwill, capitalised development costs and other assets have been allocated. The recoverable amount of the CGU is based on value-in-use calculations.

These calculations use pre-tax cash flow projections covering a five-year period based on approved budgets and forecasts in the first three years, followed by applying specific growth rates for which the key assumptions in respect of annual revenue growth rates range between 0% and 7.5% from year 4 onwards, with a terminal value after year five.

The key assumptions used for value-in-use calculations are those regarding revenue growth rates and discount rates over the forecast period. Growth rates are based on past experience, the anticipated impact of the CGUs significant investment in research and development, and expectations of future changes in the market.

The discount rate used for all companies was 12%, based on an assessment of the Group's cost of capital and on comparison with other listed technology companies. The terminal growth rate used for the purposes of goodwill impairment assessments was 2.5%. The Board considered that no impairment to goodwill is necessary based on the value-in-use reviews of Access Intelligence Media and Communications Limited, AIMediaData Limited and ResponseSource Ltd as the value-in-use calculations exceeded the carrying values of goodwill relating to those companies.

Sensitivity analysis has been performed on reasonably possible changes in assumptions upon which recoverable amounts have been estimated. Based on the sensitivity analysis, a reduction of 53% in EBITDA delivered by Access Intelligence Media and Communications Limited would result in the carrying value of its goodwill and intangible assets being equal to the recoverable amount. For AIMediaData Limited, a 62% reduction in EBITDA would result in the carrying value of its goodwill and intangible assets being equal to the recoverable amount. For ResponseSource Ltd, a 66% reduction in EBITDA would result in the carrying value of its goodwill and intangible assets being equal to the recoverable amount.

For Access Intelligence Media and Communications Limited, a 15% percentage point increase in the discount rate would result in the carrying value of goodwill and intangible assets being equal to the recoverable amount. For AIMediaData Limited and ResponseSource Ltd, 23% percentage point and 17% percentage point increases respectively would result in the carrying value of goodwill and intangible assets being equal to the recoverable amount.

Other impairments

Other intangible assets are tested for impairment if indicators of an impairment exist. Such indicators include performance falling short of expectation.

In 2018, no development costs (2017: £Nil) were impaired as a result of projects that did not perform as expected.

The directors considered that there were no indicators of impairment relating to the remaining intangible fixed assets at 30 November 2018.

15. Investment in associate

	Investment in associate £'000
Cost	
At 30 November 2016	625
Additions	-
At 30 November 2017	625
Additions	260
At 30 November 2018	**885**
Share of loss of associate and impairment	
At 30 November 2016	91
Share of loss of associate	254
At 30 November 2017	**345**
Share of loss of associate	222
At 30 November 2018	**567**
Net Book Value	
At 30 November 2018	**318**
At 30 November 2017	280

As part of the consideration for the disposal of AITrackRecord Limited, the Group received a 20% shareholding in TrackRecord Holdings Limited, a company registered in England and Wales. The fair value of this shareholding based on the funding raised by TrackRecord Holdings Limited was £625,000. The shareholding in TrackRecord Holdings Limited is treated as an investment in associate as the Group is not able to exercise control over the company, but is able to exercise significant influence over the company by way of its 20% shareholding and through J Arnold being the Group's representative on the board of TrackRecord Holdings Limited.

During the year ended 30 November 2018, the Group invested a further £260,000 in Track Record Holdings Limited, representing its 20% share of a £1,300,000 fundraising round.

During the year, the Group's share of the loss of TrackRecord Holdings Limited was £222,000 (2017: £254,000). As the Group applies the equity method of accounting for its investment in TrackRecord Holdings Limited, the carrying value of investments in associates is reduced by this share of loss at the year-end.

Summarised financial information for associate

The tables below provide summarised financial information for TrackRecord Holdings Limited, an associate which is considered material to the Group. The information disclosed reflects the amounts presented in the financial statements of TrackRecord Holdings Limited and not Access Intelligence Plc's share of those amounts.

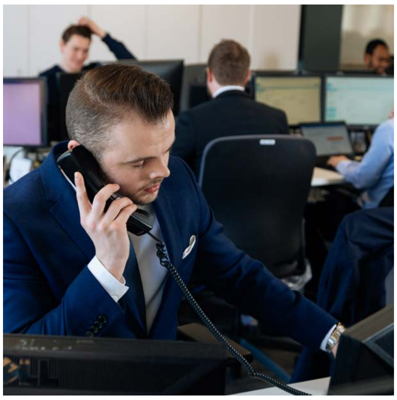
	Track Record Holdings Limited 2018 £'000	Track Record Holdings Limited 2017 £'000
Total current assets	**1,048**	799
Total non-current assets	**785**	787
Total current liabilities	**(246)**	(187)
Net assets	**1,587**	1,399
Access Intelligence Plc share of net assets (20%)	**318**	280

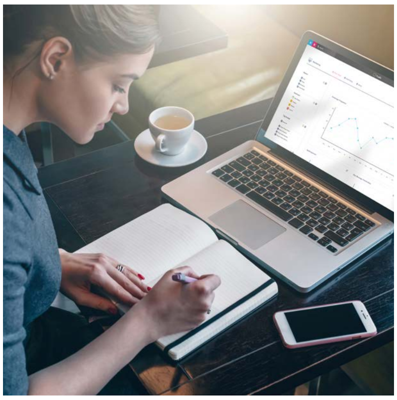
Reconciliation to carrying amounts	**Track Record Holdings Limited 2018 £'000**	Track Record Holdings Limited 2017 £'000
Opening net assets 1 December	**1,399**	2,670
Issue of share capital	**130**	-
Share premium on issue of shares	**1,170**	-
Loss for the period	**(1,112)**	(1,271)
Net assets	**1,587**	1,399

Summarised statement of comprehensive income	**Track Record Holdings Limited 2018 £'000**	Track Record Holdings Limited 2017 £'000
Revenue	**703**	430
Loss for the period from continuing operations	**(1,112)**	(1,271)
Other comprehensive income	**-**	-
Total comprehensive income	**(1,112)**	(1,271)

16. Property, plant & equipment

	Fixtures, fitting and equipment £'000	Leasehold improvements £'000	Total £'000
Cost			
At 1 December 2016	476	187	663
Additions	26	92	118
Disposals	(1)	-	(1)
Classified as held for sale	(47)	-	(47)
At 1 December 2017	**454**	**279**	**733**
Additions	76	2	78
Disposals	(1)	-	(1)
On acquisition of business	22	-	22
At 30 November 2018	**551**	**281**	**832**
Depreciation			
At 1 December 2016	415	148	563
Charge for the year	50	21	71
Disposals	(1)	-	(1)
Classified as held for sale	(46)	-	(46)
At 1 December 2017	**418**	**169**	**587**
Charge for the year	49	29	78
Disposals	-	-	-
At 30 November 2018	**467**	**198**	**665**
Net Book Value			
At 30 November 2018	**84**	**83**	**167**
At 30 November 2017	36	110	146





17. Trade and other receivables

	2018 £'000	2017 £'000
Current assets		
Trade receivables	**2,618**	1,925
Less: provision for impairment of trade receivables	**(182)**	(137)
	2,436	1,788
Prepayments and other receivables	**1,204**	1,180
	3,640	2,968

All trade receivables are reviewed by management and are considered collectible.

The ageing of trade receivables which are past due and not impaired is as follows:

	2018 £'000	2017 £'000
Days outstanding		
31–60 days	**556**	505
61–90 days	**182**	157
91-180 days	**375**	377
	1,112	1,039

Movements on the Group provision for impairment of trade receivables are as follows:

	2018 £'000	2017 £'000
At 1 December	**137**	78
Increase in provision	**130**	84
Written off in year	**(85)**	(25)
At 30 November	**182**	137

Ageing of impaired debt	2018 £'000	2017 £'000
Days outstanding		
91-180 days	**38**	18
181-270 days	**43**	21
More than 270 days	**101**	98
	182	137

The creation and release of a provision for impaired receivables has been included in 'administrative expenses' in the income statement. Amounts charged to the allowance account are generally written off, where there is no expectation of recovering additional cash.

The other asset classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above together with our cash deposits totalling £5,300,000 (2017: £673,000). The Group does not hold any collateral as security.

As disclosed in note 22, credit risk is considered according to sector and necessary allowances are made when needed by assessing changes in our customers' credit profiles and credit ratings.

18. Interest bearing loans and borrowings

	2018 £'000	2017 £'000
Current		
Convertible loan notes	**-**	2,359
Non-convertible loan notes	**110**	110
Other	**100**	20
	210	2,489
Non-current		
Convertible loan notes	**-**	-
Non-convertible loan notes	**838**	844
Other	**29**	40
	867	884

On 30th June 2009 £1,750,000 convertible loan notes were issued. At 30 November 2015 and 30 November 2016, £1,250,000 of these loan notes were in issue.

The original terms were that these loan notes were redeemable at par or convertible to ordinary shares at 4p per ordinary share on or before maturing on 30th June 2015 and carried a coupon rate of 6% per annum payable semi- annually until such time as they were repaid or were converted in accordance with their terms. The holder of the notes may convert all or part of the notes held by them into new ordinary shares in the Company on delivery to the Company of a conversion notice at 4p per share.

In 2014, the Company agreed terms with Elderstreet VCT (a company related to M Jackson) and Unicorn AIM VCT plc to extend the loans such that they mature on 31 December 2015, with enhanced interest at 8% during this extended period with conversion rights unchanged at 4p per share. In January 2016, the maturity dates of the loan notes were extended to 31 December 2016 with all other terms remaining unchanged. The carrying value of these loans at the prior year-end, including accrued interest, was £1,277,000. In December 2016 the maturity dates of the loan notes were further extended to 31 December 2017 with all other terms remaining unchanged.

In December 2014 the Company issued £1,100,000 of convertible loan notes. These loan notes are redeemable at par or convertible to ordinary shares at 3p per ordinary share on or before maturing on 3

December 2019 and carry a coupon rate of 8% per annum payable semi-annually until such time as they are repaid or converted.

During the current year, the 2009 convertible loan notes converted into 31,250,000 new ordinary shares at a conversion price of 4.0p, with conversion being effective on 31 December 2017 and the new shares being admitted to trading on the AIM market of the London Stock Exchange on 3 January 2018.

The 2014 convertible loan notes converted into 36,666,665 new ordinary shares at a conversion price of 3.0p, with conversion being effective and the new shares being admitted to trading on the AIM market of the London Stock Exchange on 29 January 2018.

The net proceeds received from the issues of the convertible loan notes have been split between the liability element and an equity component, representing the fair value of the embedded option to convert the liability into equity of the Company, as follows:

	2018 £'000	2017 £'000
Proceeds of issue of convertible loan notes	**-**	-
Existing loan notes rolled over	**2,350**	2,350
Equity component	**(255)**	(255)
Deferred taxation	**(79)**	(79)
Initial fair value of liability component	**2,016**	2,016
Cumulative interest charged	**1,265**	1,240
Cumulative interest paid	**(1,003)**	(897)
Converted into equity	**(2,278)**	-
Liability component at 30 November	**-**	2,359

The equity component of £255,000 (2017: £255,000) was originally credited to equity reserve. This was transferred to share premium on conversion of the loan notes. The interest charged for the year is calculated by applying an effective rate of interest of 10.1% (2017: 10.1%) to the liability component for the 12-month period. The liability component is measured at amortised cost. The difference between the carrying amount of the liability component at the date of issue and the amount reported in the statement of financial position at 30 November 2017 represents the effective interest rate less interest paid to that date.

The movement on the convertible loan note liability is summarised below:

	2018 £'000	2017 £'000
Opening loan liability	**2,359**	2,316
Interest charged for the year	**29**	231
Interest paid in the year	**(106)**	(188)
Converted into equity	**(2,282)**	-
Liability component at 30 November	**-**	2,359

On 22 June 2015 the Company issued £1,818,000 of non-convertible loan notes which carried an interest rate of 10% for one year rising to 12% thereafter. Interest is payable quarterly in arrears. The loans notes are fully repayable in five years. £900,000 of these loan notes were repaid on 22 April 2016.

	2018 £'000	2017 £'000
Opening loan liability	**954**	959
Interest charged for the year	**104**	105
Interest paid in the year	**(110)**	(110)
Liability component at 30 November	**948**	954

19. Trade and other payables

Due within one year	**2018 £'000**	2017 £'000
Trade and other payables	**3,284**	1,262
Other taxes and social security costs	**324**	206
VAT payable	**305**	90
	3,913	1,558

20. Deferred revenue

	2018 £'000	2017 £'000
At 1 December	**4,137**	3,772
Invoiced during the year	**9,434**	9,064
Revenue recognised during the year	**(8,888)**	(8,063)
On acquisition of business	**1,671**	-
Revenue recognised on items moved to held for sale during the year	**-**	(388)
Deferred revenue moved to held for sale	**-**	(248)
At 30 November	**6,354**	4,137

21. Financial instruments

The Group's treasury activities are designed to provide suitable, flexible funding arrangements to satisfy the Group's requirements. The Group uses financial instruments comprising borrowings, cash, liquid resources and items such as trade receivables and payables that arise directly from its operations. The main risks arising from the Group financial instruments relate to the maintaining of liquidity across the four group entities and debt collection. The Board reviews policies for managing each of these risks and they are summarised below.

The Group finances its operations through a combination of cash resources, loan notes and equity. Short term flexibility is provided by moving resources between the individual subsidiaries. Exposure to interest rate fluctuations is minimal as all borrowings are at fixed rates of interest. The Group also has deposit facilities on which 0.75% interest was being earned throughout 2018 (2017: 1.25%) and will be optimising the use of these accounts going forward. The Group's exposure to interest rate risk is not significant and therefore no sensitivity analysis has been performed.

Small amounts of foreign currency risk exist in two subsidiaries which invoice in currencies other than sterling. Due to the relative size of the currency risks concerned no hedging takes place in Australian dollars, Euros or US dollars. At the year-end there were no open contracts, however the Group was holding a US dollar deposit of $Nil (2017: $2,044) which in 2017 was translated at the rate of 1.3399 for inclusion in the consolidated statement of financial position. This amounted to £Nil (2017: £1,526). There are no hedges against this balance.

The Group did not hold any other significant assets or liabilities in foreign denominated currencies at the reporting date. The directors do not consider that there is a significant exposure to foreign exchange risk and therefore no sensitivity analysis has been performed.

At 30 November 2018 borrowings comprised convertible loan notes of £Nil (2017: £2,359,000), non-convertible loan notes of £948,000 (2017: £948,000), and other loans of £129,000 (2017: £66,000).

There is no material difference between the fair values and book values of the Group's financial instruments. Short term trade receivables and payables have been excluded from the above disclosures.

The objectives of the Group's treasury activities are to manage financial risk, secure cost-effective funding where necessary and minimise the adverse effects of fluctuations in the financial markets on the value of the Group's financial assets and liabilities, on reported profitability and on the cash flow of the Group. Interest income is sought wherever possible and in 2018 produced £Nil (2017: £Nil) of income.

The Group's principal financial instruments for fundraising are through share issues.

2018	Loans, receivables and other payables £'000	Total £'000
Assets per the balance sheet		
Trade and other receivables excluding prepayments	**2,436**	**2,436**
Cash and cash equivalents	**5,300**	**5,300**
	7,736	**7,736**
Liabilities per the balance sheet		
Trade and other payables excluding accruals	**3,913**	**3,913**
Interest bearing loans and borrowings	**1,077**	**1,077**
	4,990	**4,990**
Undiscounted contractual maturity of financial liabilities		
Amounts due within one year		**4,233**
Amounts due between one and five years		**867**
		5,100
Less: future interest charges		**(110)**
Financial liabilities carrying value		**4,990**

The above analysis excludes corporation tax receivable.

2017	Loans, receivables and other payables £'000	Total £'000
Assets per the balance sheet		
Trade and other receivables excluding prepayments	1,788	1,788
Cash and cash equivalents	673	673
	2,461	2,461
Liabilities per the balance sheet		
Trade and other payables excluding accruals	1,558	1,558
Interest bearing loans and borrowings	3,373	3,373
	4,931	4,931
Undiscounted contractual maturity of financial liabilities		
Amounts due within one year		1,759
Amounts due between one and five years		1,156
Amounts that convert to equity		2,359
		5,274
Less: future interest charges		(342)
Financial liabilities carrying value		4,931

The liquidity risk relating to the contractual liabilities listed above is managed on a local basis through their day to day cash management. The Group has invested significantly in restructuring the Group and building products written in current code bases, accordingly the Group is liquid with £5,300,000 (2017: £673,000) available cash resources against a liability payable within the next 12 months of £4,013,000 (2017: £1,759,000). Management monitor cash balances weekly. However should any subsidiary, or the Company, find that it does not have the liquidity to pay a debt as it becomes due an inter-company cash transfer will be made available by another member of the Group.

22. Financial and operational risk management

The Group's activities expose it to a variety of financial risks which are managed by the Group and subsidiary management teams as part of their day-to-day responsibilities. The Group's overall risk management policy concentrates on those areas of exposure most relevant to its operations. These fall into four categories:

- **Competitive risk** — that our products are no longer competitive or relevant to our customers;
- **Cash flow and liquidity risk** — that we run out of the cash required to run the business;
- **Credit risk** — that our customers do not pay;
- **Key personnel risk** — that we cannot attract and retain talented people; and
- **Capital risk** — that we do not have an optimal structure to allow for future acquisition and growth.

Further information on these risks and the Group's actions to mitigate them is provided on page 23 and 24 of the Strategic Report.

23. Deferred tax assets and liabilities

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

	Accelerated depreciation £'000	Convertible loan notes £'000	Share-based payments £'000	Tax losses £'000	Accelerated tax on assets £'000	On acquisition of subsudiaries £'000	Total £'000
At 1 December 2016	22	(29)	-	208	(201)	-	-
Charge to profit or loss	8	-	-	(32)	24	-	-
At 30 November 2017	**30**	**(29)**	**-**	**176**	**(177)**	**-**	**-**
At 1 December 2017	30	(29)	-	176	(177)	-	-
Charge to profit or loss	12	29	-	(164)	123	-	-
On acquisition	-	-	-	-	-	(572)	(572)
At 30 November 2018	**42**	**-**	**-**	**12**	**(54)**	**(572)**	**(572)**
Attributable to:							
Continuing operations	42	-	-	12	(54)	(572)	(572)
Discontinued operations	-	-	-	-	-	-	-
Total	**42**	**-**	**-**	**12**	**(54)**	**(572)**	**(572)**

At the reporting date the Group had unused tax losses of approximately £6,900,000 (2017: £7,000,000) available for offset against future profits. A deferred tax asset has been recognised in respect of all available losses expected to be utilised against future taxable profits within three years based on the forecasts approved by the directors. The tax losses do not have any expiry date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets totalling £1,161,000 (2017: £1,299,000) arising in respect of losses have not been included in the statement of financial position due to uncertainties in regard to their recoverability.

The following is the aggregate amounts of deferred tax balances in each group entity, after allowable offset, for financial reporting purposes:

	2018 £'000	2017 £'000
Deferred tax assets	**37**	206
Deferred tax liabilities	**(609)**	(206)
Total	**(572)**	-

24. Share capital

Equity: Ordinary shares of 5p each	2018 £'000	2017 £'000
Allotted, issued and fully paid 63,772,754 ordinary shares of 5p each (2017: 348,674,357 ordinary shares of 0.5p each)	**3,189**	1,743

	2018	2017
Number of shares at 1 December	**348,674,357**	315,935,118
New shares issued in year (pre-share consolidation)	**70,000,008**	31,384,615
Share options exercised (pre-share consolidation)	**-**	1,354,624
Conversion of convertible loan notes (pre share consolidation)	**67,916,665**	-
Consolidation of shares	**(437,931,927)**	-
New shares issued in year (post-share consolidation)	**15,113,651**	-
Number of shares at 30 November	**63,772,754**	348,674,357

In January 2018, 31,250,000 shares were issued at 4p as a result of the conversion of the 2009 CLNs and 36,666,665 were issued at 3p as a result of the conversion of the 2014 CLNs.

In May 2018, 70,000,000 shares were issued at 4p in conjunction with a placing with existing shareholders and management.

In November 2018, the Company completed a one-for-ten share consolidation to reduce the number of Ordinary Shares in issue. To effect the Share Consolidation, it was necessary to issue an additional eight shares so that the Company's issued ordinary share capital was exactly divisible by 10.

Subsequent to the share consolidation, 14,320,000 shares were issued at 47.5p in a placing and 793,651 were issued as consideration at 63p.

On 21 September 2011 29,666,667 ordinary shares of 0.5 pence, and with a total nominal value of £148,333 were returned to the Company. Post consolidation, this equates to 2,966,666 5p shares held in treasury at the year end. The shares held in treasury have no voting rights, or rights to dividends and so the total issued share capital for voting and dividend purposes is 60,806,088 (2017 restated: 31,900,770).

Transaction costs associated with share issues in the year amounted to £465,000 (2017: £3,000). Transaction costs are accounted for as a reduction from the share premium account.

25. Equity-settled share-based payments

The Company has a share option scheme for employees of the Group.

Ordinary share options and warrants granted and subsisting at 30 November 2018 were as follows:

Date of grant	**Exercise price**	**No of shares**	**Exercisable between**
23 October 2008	27.5p	1,429,837	No time limit
03 April 2009	27.5p	100,000	Apr 2012-Apr 2019
29 September 2009	43.75p	200,000	Sep 2012-Sep 2019
04 December 2009	55.0p	22,000	Dec 2012-Dec 2019
19 December 2011	22.0p	100,000	Dec 2014-Dec 2021
24 October 2013	25.0p	100,000	Oct 2016-Oct 2023
		1,951,837	

Details of the movements in the weighted average exercise price ("WAEP") and number of share options during the current and prior year are as follows:

	At start of year	**Granted**	**Exercised**	**Forfeited**	**At end of year**
WAEP 2017	2.94	-	2.96	(3.13)	2.91
WAEP 2018	**2.91**	**-**	**-**	**-**	**2.91**
Options 2017	24,353,073	-	(1,354,624)	(3,480,070)	19,518,379
Options 2018	**19,518,379**	**-**	**-**	**-**	**1,951,837***

Due to the share consolidation in the year, the share options and warrants granted and subsisting at 1 December 2018 were adjusted on the basis of one option or warrant for every previous 10 options or warrants.

The range of prices at which options and warrants can be exercised is 22.0p to 55.0p.

No options were cancelled in the year (2017: Nil).

The weighted average price of shares on the date of exercise during the year was Nil pence (2017: 4.50 pence).

The option movements detailed above resulted in a share-based payment charge for the Group of £Nil (2017: £Nil). During 2018, there were no share options granted in the year.

Further details of share options exercisable at the year-end are provided in note 13.

There are no market, non-market or service conditions as part of the share option scheme. The only condition existing is that employees must still be in employment with the Company at the point they exercise the options.

26. Cash and cash equivalents

The Group monitors its exposure to liquidity risk based on the net cash flows that are available. The following provides an analysis of the changes in net funds:

	At at 30 November 2017 £'000	Cash inflow £'000	At at 30 November 2018 £'000
Cash and cash equivalents	673	4,627	**5,300**

	At at 30 November 2016 £'000	Cash outflow £'000	At at 30 November 2017 £'000
Cash and cash equivalents	1,162	(489)	**673**

27. Commitments

Capital commitments

The Group had no capital commitments at the end of the financial year or prior year.

Operating lease commitments

Commitments for minimum lease payments in relation to operating leases are payable as follows:

	Land and buildings	
	2018 £'000	2017 £'000
Not later than one year	**278**	246
Later than one year and not later than five years	**297**	759
	575	1,005

The Group leases various offices and storage units under non-cancellable fixed term operating lease agreements. The lease terms are up to 10 years, with break clauses ahead of the full term and the majority are not renewable at the end of the lease period.

There were no other operating lease commitments.

Provisions and contingent liabilities

	Leasehold dilapidations £'000
At 1 December 2017	226
Released in the year	(130)
On acquisition	75
At 30 November 2018	**171**
Due within one year	75
Due after more than one year	96

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease. The earliest point at which it is considered that this amount may become payable is March 2019 for one leasehold property and December 2019 for another.

28. Related party transactions

Two (2017: two) of the directors have received all of their remuneration through their individual service companies during the year. The payments represent short term employee benefits. The amounts involved are as follows and relate to activities within their responsibilities as directors:

In all cases the directors are responsible for their own taxation and national insurance liabilities.

	2018 **£**	2017 £
C Pilling (via The Personal Web Company Limited)	**30,000**	30,000
J Hamer (via Fin Dec Limited)	**30,000**	5,000

At the year-end Access Intelligence Plc owed Elderstreet Investments Limited, a company of which M Jackson is Chairman £8,337 (2017: £8,337).

During the year, interest on convertible loans of £30,685 (2017: £56,110) and on non-convertible loans of £36,000 (2017: £36,000) was paid to Elderstreet VCT plc, a company of which M Jackson is Chairman.

At the year end, an amount of £2,040 (2017: £2,040) was due from M Jackson.

During the year, Access Intelligence Plc recharged certain costs to Track Record Holdings Limited, an associate company. The total amount invoiced was £Nil (2017: £80,754) and the outstanding balance at the year end was £Nil (2017: £Nil).

During the year Access Intelligence Media and Communications Limited received services from Macranet Limited, a company in which M Jackson is a board member, totalling £31,500 (2017: £75,900). At the year end the Company owed £Nil (2017: £12,600) to Macranet Limited.

29. Pension commitments

Individual subsidiaries of the Group operate defined contribution pension schemes for their employees. The assets of the schemes are held separately from those of the Group. The annual contributions payable are charged to the income statement when they fall due for payment.

During the year £97,000 (2017: £130,000) was contributed by the Group to individual pension schemes. At 30 November 2018 no pension contributions were outstanding (2017: £Nil).

30. Events after the reporting date

On 15 February 2019, J Arnold exercised options over 300,000 ordinary shares of 5 pence each at exercise prices of between 22p and 27.5p per share. The total consideration paid in respect of the options exercised was £74,500. Following the admission of the 300,000 new shares, issued share capital comprised 64,072,754 Ordinary Shares of which 2,966,666 Ordinary Shares were held in treasury. Therefore, the total number of Ordinary Shares with voting rights was 61,106,088.

On 18 February 2019, the Company announced that it had granted options over 3,602,000 ordinary shares, equivalent to 5.92%. of the voting share capital of the Company, at an exercise price of 56p per share under the terms of the Access Intelligence plc Management Incentive Scheme. The options will only be capable of being exercised on or after the third anniversary of the date of grant and provided the share price equals or exceeds a base price of 56p at the time of exercise. Where capable of exercise, options may be exercised at any time before the tenth anniversary of the date of grant. The exact number of shares in respect of which an option can be exercised in aggregate during the exercise period is dependent on the share price at the time(s) of exercise and is a percentage of the number of shares under option, calculated as 20% if the share price is equal to 56p and rising on a straight-line basis to 100% when the share price reaches or exceeds 130p. As part of this grant of options, 1,600,000 and 400,000 options over Ordinary Shares have been granted to J Arnold and M Fautley respectively.

Company Statement of Financial Position

Company Number: 04799195
At 30 November 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Tangible assets	4	**90**	113
Investments	5	**20,503**	11,025
Intangible assets	6	**-**	1
Deferred tax assets		**37**	185
Total non-current assets		**20,630**	11,324
Current assets			
Trade and other receivables	7	**493**	236
Amounts due from group undertakings	8	**50**	-
Cash at bank and in hand		**2,518**	215
Total current assets		**3,061**	451
Total assets		**23,691**	11,775
Current liabilities			
Trade and other payables	9	**2,400**	457
Amounts due to group undertakings	8	**2,624**	1,811
Accruals		**458**	432
Interest bearing loans and borrowings	10	**210**	2,489
Total current liabilities		**5,692**	5,189
Non-current liabilities			
Interest bearing loans and borrowings	10	**867**	884
Total non-current liabilities		**867**	884
Total liabilities		**6,559**	6,073
Net assets		**17,132**	5,702
Capital and reserves			
Called up share capital		**3,189**	1,743
Treasury shares		**(148)**	(148)
Share premium account		**13,075**	2,352
Capital redemption reserve		**191**	191
Share option reserve		**348**	348
Equity reserve		**-**	255
Profit and loss account		**477**	961
Equity shareholders' funds		**17,132**	5,702

The Company reported a loss for the financial year ended 30 November 2018 of £484,000 (2017: profit of £137,000).

The financial statements were approved by the Board of directors on 25 March 2019 and signed on its behalf by

J Arnold
Director

Company Statement of Changes in Equity

Year ended 30 November 2018

	Share capital £'000	Treasury shares £'000	Share premium account £'000	Capital redemption reserve £'000	Share option reserve £'000	Equity reserve £'000	Retained earnings £'000	Total £'000
At 1 December 2016	1,580	(148)	1,458	191	377	255	795	4,508
Total comprehensive income for the year	-	-	-	-	-	-	137	137
Issue of share capital	163	-	894	-	-	-	-	1,057
Share-based payments	-	-	-	-	(29)	-	29	-
At 1 December 2017	**1,743**	**(148)**	**2,352**	**191**	**348**	**255**	**961**	**5,702**
Total comprehensive income for the year	-	-	-	-	-	-	(484)	(484)
Conversion of convertible loan notes	340	-	2,193	-	-	(255)	-	2,278
Issue of share capital	1,106	-	8,530	-	-	-	-	9,636
At 30 November 2018	**3,189**	**(148)**	**13,075**	**191**	**348**	**-**	**477**	**17,132**

Notes to the Company Financial Statements

Year ended 30 November 2018

1. General Information

The Company is incorporated in England and Wales. The principal activity of the Company is to act as the holding company of the Group.

2. Accounting Policies

The particular accounting policies adopted by the Company are described below.

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis as specified in the accounting policies below.

The Company's functional currency is Pound Sterling, being the currency of the primary economic environment in which the Company operates.

In preparing these financial statements, the Company has taken advantage of the disclosure exemptions, as permitted by FRS 102 paragraph 1.12.

The Company has taken advantage of the following exemptions in preparing the Company financial statements:

- from preparing a Cash Flow Statement in accordance with Section 7 'Cash Flow Statements';
- from providing certain disclosures as required by Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues', as equivalent disclosures are provided in the consolidated financial statements; and
- from disclosing the Company's key management personnel compensation, as required by paragraph 7 of Section 33 'Related Party Disclosures'.

Going Concern

On the basis of current financial projections and available funds and facilities, the directors are satisfied that the Company, taking into account that it operates as part of the Access Intelligence plc Group, has adequate resources to continue in operation for the foreseeable future and therefore consider it appropriate to prepare the financial statements on the going concern basis (refer to the Group going concern assessment in note 2 to the consolidated financial statements).

Significant judgements

In addition to going concern, the areas involving a high degree of judgement or complexity relate to:

- the recognition of deferred tax assets in relation to losses (refer to note 23 of the consolidated financial statements for further details).

Significant estimates

Further to the significant judgements above the areas where key assumptions and estimates have been made by management relate to:

- the charge for share-based payment transactions which include assumptions on future share prices movements, expected future dividends, and risk-free discount rates (refer to note 25 of the consolidated financial statements for further details).

Share-based payments

The Company issues equity-settled share-based payments to certain employees. These equity-settled share-based payments are measured at fair-value at the date of the grant. Where material, the fair value as determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

Fair value is measured by use of the Black–Scholes method. Further details in relation to share-based payments are set out in note 25 of the consolidated financial statements.

Tangible assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of fixtures, fittings and equipment taking into account any estimated residual value. The estimated useful lives are as follows:

- Fixtures, fittings and equipment - 4 years
- Leasehold improvements - over lease term

Investments

Investments held as fixed assets are stated at cost less provision for any impairment

Intangible assets

Software licences

Software licences include software that is not integral to a related item of hardware. These items are stated at cost less accumulated amortisation and any impairment. Amortisation is calculated on a straight-line basis over the estimated useful economic life. Although perpetual licences are maintained under support and maintenance agreements, a useful economic life of five years has been determined.

Impairment of non-financial assets

The carrying amounts of the Company's assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based upon the value in use.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated to the carrying amount of the assets in the unit on a pro rata basis, applied in priority to non-current assets ahead of more liquid items. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Reversals of impairment

An impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

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

Financial instruments

Financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables and other financial liabilities.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or are cancelled.

Trade and other receivables are recorded initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. Specific impairment provisions are made when management consider the debtor irrecoverable and these are charged to the income statement. Trade and other payables are recorded initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments.

Loans and borrowings and other financial liabilities, which include the convertible redeemable loan notes, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Interest expense is measured on an effective yield basis and recognised in the income statement over the relevant period.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based upon their relative carrying amounts at the date of issue. The portion relating to the equity component is recognised in equity.

Finance payments associated with financial liabilities are dealt with as part of finance expenses.

The Company may enter into derivative financial instruments for risk management purposes. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value with gains and losses recognised through profit or loss. The Company does not hold or issue derivative financial instruments for trading purposes.

Convertible loan notes

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, in the case of a convertible loan note denominated in the functional currency of the issuer that may be converted into a fixed number of equity shares, the fair value of the liability component is estimated at the present value of the stream of future cash flows (including both coupon payments and redemption) discounted at the market rate of interest that would have been applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion option. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component and deferred tax liability from the fair value of the compound instrument as a whole. This is recognised and included in equity, and is not subsequently re-measured.

Taxation

The tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax liabilities are provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on the current tax rates and law.

Timing differences arise from the inclusion of items of total comprehensive income in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Employee benefits

The Company operates a defined contribution pension schemes for its employees. The assets of the schemes are not managed by the Company and are held separately from those of the Company. The annual contributions payable are charged to the income statement when they fall due for payment.

Revenue

Revenue represents the amounts derived from the provision of goods and services, stated net of Value Added Tax. The methodology applied to income recognition is dependent upon the goods or services being supplied.

In respect of income relating to annual or multi-year service contracts and/or hosted services which are invoiced in advance, it is the Company's policy to recognise revenue on a straight-line basis over the period of the contract. The full value of each sale is credited to deferred revenue when invoiced to be released to profit or loss in equal instalments over the contract period.

During the course of a customer's relationship with the Company, their system may be upgraded. These upgrades can be separated into two distinct types:

- Specific upgrades, i.e. moving from an old legacy system to one of the Company's latest products. This would require the migration of the customer's data from the old system and the set-up of their new system; and
- Non-specific upgrades, i.e. enhancements to customers' systems as a result of internal development effort to improve the stability or functionality of the platform for all customers.

Customers do not have a contractual right to non-specific upgrades and therefore, the provision of these non-specific upgrades are accounted for as part of the related service contract as explained above

For specific upgrades, customers are required to purchase these separately through signing a new contract which sets out the one-off professional service fee for the upgrade to cover migration costs and any increase in their annual subscription fee. The provision of this specific upgrade is therefore, accounted for as a separate service contract as explained above.

The Group does not have any further obligations that it would have to provide for under the subscription arrangements.

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance income and finance expenses

Finance income and finance expenses are recognised in profit or loss as they accrue, using the effective interest method. Finance income relates to interest income on the Company's bank account balances.

Interest payable comprises interest payable or finance charges on loans classified as liabilities.

In relation to interest relating to the convertible redeemable loan notes, the charge to profit or loss is an 'effective interest charge' over the period as opposed to the actual interest paid or payable. The effective interest charge is higher than the actual interest paid.

Foreign exchange

The financial statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency). The results and financial position of the Company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the year.

3. Result for the year

As permitted by s408 of the Companies Act 2006, no separate Profit and Loss account or Statement Of Comprehensive Income is presented in respect of the parent Company. The result attributable to the Company is disclosed in the footnote to the Company Balance Sheet.

The auditor's remuneration for audit and other services is disclosed in note 5 to the consolidated financial statements.

The average monthly number of employees (including executive directors) was:

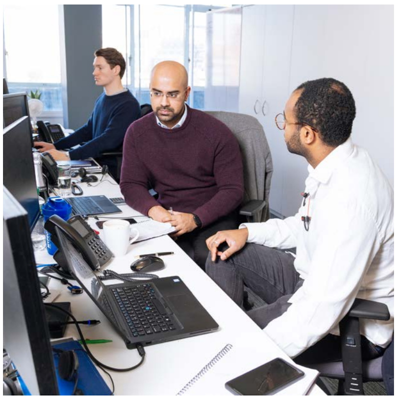
	2018	2017
Technical and support	**-**	4
Commercial	**-**	2
Finance and administration	**4**	8
	4	14

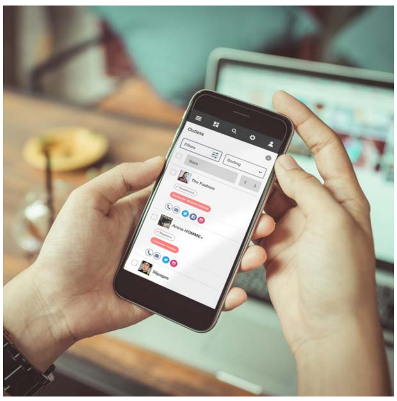
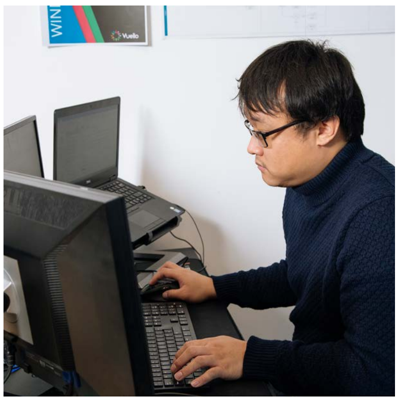
Their aggregate remuneration comprised:

	2018 £'000	2017 £'000
Wages and salaries costs	**151**	711
Social security costs	**12**	76
Pension costs	**12**	9
Health insurance	**7**	6
Compensation for loss of office	**-**	11
	182	813

4. Tangible fixed assets

	Fixtures fittings and equipment £'000	Leasehold improvements £'000	Total £'000
Cost			
At 1 December 2017	270	153	423
Additions	8	1	9
At 30 November 2018	**278**	**154**	**432**
Depreciation			
At 1 December 2017	264	46	310
Charge for the year	4	28	32
At 30 November 2018	**268**	**74**	**342**
Net Book Value			
At 30 November 2018	**10**	**80**	**90**
At 30 November 2017	6	107	113

5. Investments

	Investment in subsidiaries £'000	Loans to subsidiaries £'000	Investment in associate £'000	Total £'000
Cost				
At 1 December 2016	8,394	-	625	9,019
Additions	-	-	-	-
Reclassification*	-	7,389	-	7,389
Disposals	(85)	-	-	(85)
At 1 December 2017	8,309	7,389	625	16,323
Additions	7,734	1,484	260	9,478
Disposals	(5,207)	-	-	(5,207)
At 30 November 2018	**10,836**	**8,873**	**885**	**20,594**
Impairment				
At 1 December 2016	5,292	-	91	5,383
Disposals	(85)	-	-	(85)
At 1 December 2017	5,207	-	91	5,298
Disposals	(5,207)	-	-	(5,207)
At 30 November 2018	**-**	**-**	**91**	**91**
Net Book Value				
At 30 November 2018	**10,836**	**8,873**	**794**	**20,503**
At 30 November 2017	3,102	7,389	534	11,025

* The amount owed by a subsidiary (which is unsecured, interest free and repayable on demand) has been reclassified from 'Amounts due to group undertakings' to reflect its nature as a component of the Company's investment in that entity.

At 30 November 2018 the Company was the beneficial owner of the entire issued share capital and controlled all the votes of its subsidiaries, all of which are incorporated in England and Wales. The subsidiaries are set out below:

Subsidiary	Activity	Share type	% holding
AIMediaData Limited	Software development	Ordinary	100%
Access Intelligence Media and Communications Limited	Software development	Ordinary	100%
ResponseSource Ltd	Software development	Ordinary	100%

The registered office of all subsidiaries is the same as the registered office of the Company (see page 28).

At 30 November 2018 the Company was the beneficial owner of the following share capital of an associate, which is incorporated in England and Wales:

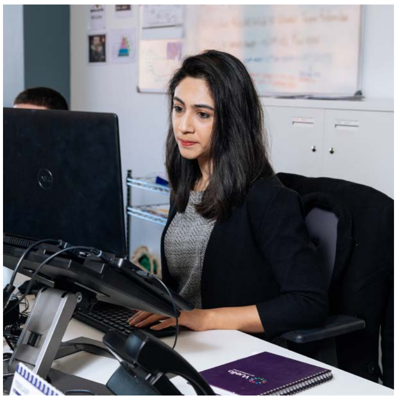
Associate	Activity	Share type	% holding
TrackRecord Holdings Limited	Software development	Ordinary	20%

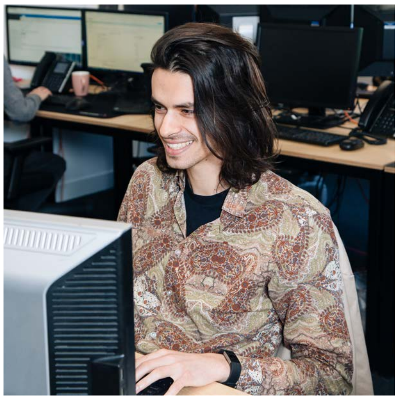
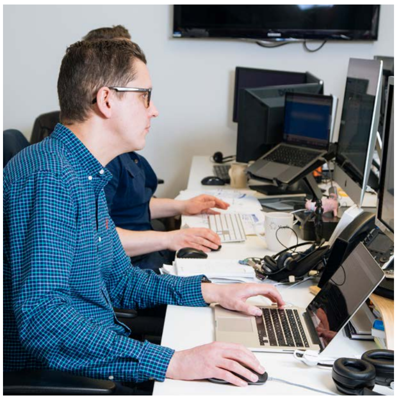
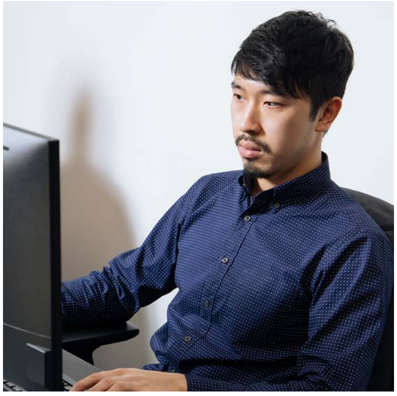
6. Intangible assets

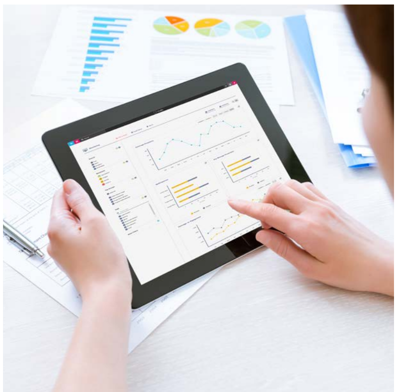
	Software licences £'000	Total £'000
Cost		
At 1 December 2017	127	127
Additions	-	-
Disposals	(127)	(127)
At 30 November 2018	**-**	**-**
Depreciation		
At 1 December 2017	126	126
Charge for the year	1	1
Disposals	(127)	(127)
At 30 November 2018	**-**	**-**
Net Book Value		
At 30 November 2018	**-**	**-**
At 30 November 2017	1	1

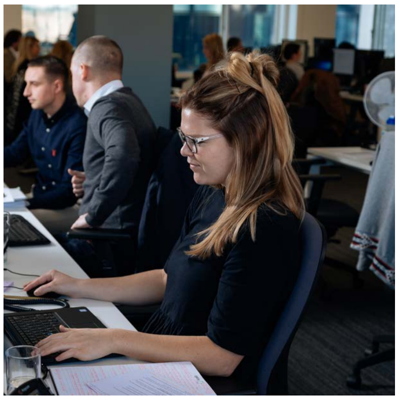
7. Trade and other receivables

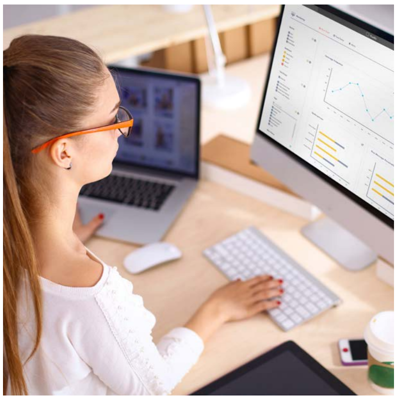
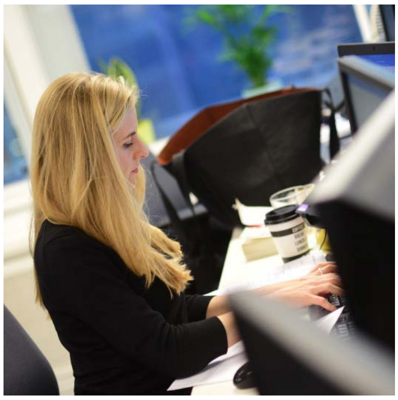
	2018 £'000	2017 £'000
Trade receivables	**5**	5
Prepayments and other debtors	**184**	231
Other taxes and social security	**304**	-
	493	236







8. Amounts due from/to group undertakings

Amounts due from/to group undertakings are unsecured, interest free and repayable on demand.

	2018 £'000	2017 £'000
Amounts due from group undertakings	**50**	-
Amounts due to group undertakings	**(2,624)**	(1,811)
	(2,574)	(1,811)

9. Trade and other payables

	2018 £'000	2017 £'000
Trade payables	**304**	398
Other creditors	**2,096**	-
Other taxes and social security	**-**	59
	2,400	457

10. Interest bearing loans and borrowings

	2018 £'000	2017 £'000
Current		
Convertible loan notes	**-**	2,359
Non-convertible loan notes	**110**	110
Other	**100**	20
	210	2,489
Non-current		
Non-convertible loan notes	**844**	844
Other	**23**	40
	867	884

See note 18 of the consolidated financial statements for further details.

11. Share capital

See note 24 of the consolidated financial statements for further details.

12. Equity-settled share-based payments

See note 25 of the consolidated financial statements for further details .

13. Commitments

Capital Commitments

The Company had no capital commitments at the end of the financial year or prior year.

Operating lease commitments

The Company had no operating lease commitments at the end of the financial year or prior year.

14. Related party transactions

The Company has taken the exemption permitted by Section 33 'Related Party Disclosures' not to disclose transactions with members of Access Intelligence Plc group.

See note 28 of the consolidated financial statements for details of other related party transactions.

15. Events after the reporting date

See note 30 of the consolidated financial statements for further details.


Vuelio
BLOG
AWARDS
2018
Vuelio

Access Intelligence

Reputation and Communications Management Solutions

Access Intelligence

Longbow House,
14-20 Chiswell Street,
London, EC1Y 4TW

0843 659 2940
info@accessintelligence.com
www.accessintelligence.com

AccessIntelligence