VITESSE MEDIA

Annual Report & Accounts 2015

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Company directors and advisers

Directors
Chris Ingram, Non-Executive Chairman
Niki Baker, Chief Executive Officer
David Smith, Non-Executive Director
Andrew Brode, Non-Executive Director
Keith Willey, Non-Executive Director
Alan Mearns, Non-Executive Director
Jonathan Sumner, Executive Director

Secretary and Registered Office
TMF Corporate Administration Services Ltd, 5th Floor, 6 St. Andrew Street, London EC4A 3AE

Company Number
02607995

Registrars
Share Registrars Ltd, Craven House, West Street, Farnham, Surrey GU9 7EN

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

Solicitors
Orrick, Herrington & Sutcliffe LLP, 107 Cheapside, London EC2V 6DN

Auditors
Baker Tilly UK Audit LLP, 25 Farringdon Street, London EC4A 4AB

AIM Broker and Nominated Adviser
Westhouse Securities Ltd, 110 Bishopsgate, London EC2N 4AY

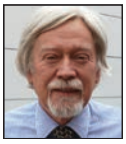
Contents

Directors and management team

Directors

Chris Ingram – Non-Executive Chairman
Chris was appointed as non-executive chairman in October 2014. He spent the early years of his business career in the media communications and marketing industry. He is regarded as the inventor of the modern media agency, having started The Media Department (TMD) in 1972 and Chris Ingram Associates (CIA) in 1976, which he built into an international, publicly quoted business (Tempus Group), with offices in 29 countries and a turnover of £2 billion. The business was sold to WPP in 2001 for £430 million and is now MEC.

Niki Baker – Chief Executive Officer
Niki joined Vitesse Media in 2006 as head of the group's expanding events division before becoming chief operating officer in July 2009 and chief executive officer in October 2012. She manages a team of over 40 staff, having full budget responsibility for all the group's activities. Prior to joining Vitesse Media, she worked her way up to group show director at DMG World Media on events such as the Daily Mail Ski and Snowboard Show and the Daily Mail Ideal Home Show, visited by half a million people.



David Smith – Non-Executive Deputy Chairman
David was appointed as executive deputy chairman in July 2012. He has held senior positions in Thompson organisations and at Wolters Kluwer, and was CEO of Taylor & Francis and executive chairman of Informa and Granada Learning. He became non-executive deputy chairman in August 2014.

Andrew Brode – Non-Executive Director
Andrew, a chartered accountant, was chief executive of Wolters Kluwer (UK) Plc, one of the UK's largest business-to-business information groups, between 1978 and 1990. In 1990, he led the management buy-out of the Eclipse Group, which was sold to Reed Elsevier in 2000. In 1995, he led the management buy-in of RWS Group Plc, the UK's largest technical translations group. He is also a non-executive director of a number of private equity-financed media companies.

Keith Willey – Non-Executive Director
Keith has interests in a number of private businesses and combines that with a post at London Business School. He is adjunct associate professor of strategic and international management and entrepreneurship with expertise in the areas of entrepreneurship, venture capital, managing growth, technology ventures and organisation development. Keith's previous career experience includes a degree in chemical engineering and various management roles with BAT Plc. He was a director of a consulting practice associated with major corporate restructuring initiatives during the 1990s and was founding CEO of the Centre for Scientific Enterprise. Following this, he was COO and acting FD at Sussex Place Ventures for five years.

Alan Mearns – Non-Executive Director
Alan was appointed non-executive director in October 2014. he has over 27 years' experience in the investment management industry, both in the UK and overseas, with a career focused on distribution, marketing, branding and new market and product development. From 2006 to 2012, Alan was chief executive of BNY Mellon Asset Management International, the international asset management distribution division of The Bank of New York Mellon Corporation, and a member of the bank's Operating Committee.

Jonathan Sumner – Director for Digital and Social Media
Jonathan is the company's online publisher and head of the business division. He has responsibility for delivering the revenue figures for all online activities and is the driving force behind new developments for existing websites and ideas for new websites. Jonathan has been with Vitesse Media since 2003 and was appointed a director in May 2012.

Management team

Dominic Richardson – Interim Finance Director
Dominic is acting on an interim and part-time basis providing financial advice and support to Vitesse Media. He has deep experience of the education and regulatory publishing sectors and previously held senior posts at Wolters Kluwer in the UK, Sweden and the Netherlands. More recently he was group COO at Granada Learning. Dominic is also the founder and owner of RHE Media, a specialist ebook publisher.

Ben Brougham – Head of Events Sales
Ben is head of the events team across Vitesse Media. He has almost 20 years' experience in the global publishing and events industries. Before joining Vitesse in February 2008, he worked as business development manager at Caspian Publishing and as group publisher at Euromoney Institutional Investor.

Ben Rossi – Group Editor, Business and Technology
Ben is the editor of *Information Age* magazine and online, which involves him closely following the global technology industry and regularly connecting with the UK's top CIOs and IT decision-makers. Previous to this, he was the editor of the Middle East's leading technology publication, *Computer News Middle East*, where he gained experience of working with tech leaders in a vastly emerging and growing region, as well as one as mature as the UK. He has reported from technology events around the world and interviewed high-profile executives from the industry's biggest powerhouses.

John Bromley – Head of Digital Sales
John is head of sales for the SME portfolio. Working across four websites, he is tasked with delivering and improving upon the revenues year-on-year. John previously worked as a senior account manager for our Technology division and is now in his fifth year with Vitesse.

Chairman's report

HIGHLIGHTS

- Revenues up 7% to £2.26 million
- Pre-tax loss reduced by 84% to £28k
- EBITDA positive £22k vs. 2014 negative £114k
- Revenues in the technology and events divisions up 40% and 5% respectively
- New events launched over the year delivered a 19% increase in revenue across the events portfolio
- Direct costs reduced by 9%
- Refocused revenue model to emphasise growing events income, lead generation and content creation, generating positive results

PERFORMANCE DURING THE FINANCIAL YEAR 2014/15

In the Chairman's Report last year, my predecessor highlighted the confidence the Group had that, despite challenging market conditions, it would move towards delivery of its full revenue and profit potential. I am pleased to announce that the Group has indeed made significant progress during the year.

Revenue growth was 7%, a significant improvement over last year, and the losses of the past few years have been reduced close to break-even.

This has been achieved by adhering to the strategy implemented last year that has focused upon digital delivery, events and new product launches combined with a concerted effort to manage and control costs.

A key driver of this revenue growth was the Events division, with a number of new events, which delivered 19% of entirely new revenues. Events created and managed by the division now account for 43% of total Group revenue.

The Technology division also saw a reversal of the decline of previous years as revenues increased by 40% following a refocus of the division's objectives, particularly upon events including the launch of the well-received Women in IT Awards and digital opportunities.

Website traffic continued to increase across all sectors within which the Group operates, and an increase in online advertising helped to offset the continued downward pressure experienced with traditional print advertising. However, we still need to focus on website traffic growth, and this will be a clear priority going forward.

The Group placed strong emphasis upon cost reduction throughout the year and significant savings were achieved with reductions in the overall cost base. A key part of the indirect cost savings was the move last October into more suitable office premises, resulting in ongoing savings.

CROWD-FUNDING PLATFORM

Last year, the Group committed to the development of a crowd-funding platform that would add to revenue and profitability. As was announced recently, the board is reassessing this initiative that has suffered delays at a time when the marketplace has become increasingly competitive and expensive to enter.

NEW TECHNOLOGY PLATFORM

The Group has been working on delivering a unified digital publishing platform and IT infrastructure, which will bring increased synergies across all areas of the business. This will make the business more integrated, automated and agile, allowing it to adapt to change faster, create new revenue streams and maximise their profitability.

The prototype build is currently in a testing environment ready to be rolled out across the portfolio, and the company anticipates that the platform will go live after the summer.

CURRENT TRADING AND OUTLOOK

Trading for the first four months of the current financial year is broadly in line with budget, although comparatives from year to year are impacted by certain events happening at a different time of year to last year.

CJ Ingram
Chairman

Business review

SME/BUSINESS DIVISION

The SME division comprises two brands for entrepreneurs and small businesses: GrowthBusiness.co.uk and SmallBusiness.co.uk.

The division's sales continued to achieve a diverse revenue mix – mainly based around advertising, sponsorships, content creation and lead generation – and accounted for 23% of the Group's revenue, a slight decrease from last year.

Gross margin increased during the year to 88%, up from 86% in the previous year, with like-for-like revenue on SmallBusiness.co.uk up 7% year-on-year and strong gains in special projects. Overall SME revenue decreased by 7% from £572k to £533k.

While SmallBusiness.co.uk performed well and showed positive revenue growth, advertising revenue on GrowthBusiness.co.uk was down year-on-year as some key clients focused their advertising spend towards micro-businesses and the small office/home office (SOHO) marketplace.

"Like-for-like revenue on SmallBusiness.co.uk was up 7% year-on-year, with strong gains in special projects"

The team continued working with its loyal advertisers – the likes of Lloyds, Sage, AXA, Vodafone, Google and HP – while working hard to secure significant new advertising campaigns with FedEx, UPS, Nominet, Bibby Financial, Everline, Funding Circle, O2 Business and Braintree.

Advertising spend from the banks was down year-on-year, but the team was able to effectively tailor opportunities to specific verticals – specifically the wider finance industry, technology and logistics.

During the year, both SmallBusiness.co.uk and GrowthBusiness.co.uk maintained their market position as the UK's most authoritative sources of independent advice and support for established small and medium-sized enterprises. Both websites again achieved year-on-year traffic growth, increasing users to the sites by 25% and 18% respectively.

Looking forward, the SME brands will focus on further developing their lead generation product, while launching a new mobile offering that is complemented with new ad formats and revenue opportunities. Additionally, SmallBusiness.co.uk will be actively pressing forward with a strategic partnership agreement in the finance marketplace.

TECHNOLOGY DIVISION

The Technology division consists of the *Information Age* website, mobile app, print magazine, lead generation, sponsored projects and events.

In 2013/14, the executive management made strategic adjustments to the brand, reducing the overhead and focusing revenues around lead generation, events and digital opportunities. Over 2014/15, these strategic adjustments have firmly repositioned the brand in the marketplace and set the division on a sustained path for growth.

Technology generated 26% of the Group's revenue in 2014/15 with a gross margin of 76%, marginally down on the previous year because of the growth in revenues across *Information Age*'s events portfolio.

"Lead generation sales revenue was up 370% on the previous year"

Sales revenues across the brand increased by 40% year-on-year. The team achieved significant gains in lead generation, up 370%, and events – with the launches of Tech Invest, the Leadership Series and the Women in IT Awards delivering new sponsorship revenue from Salesforce, HP, Atos, Zayo and MarkLogic.

Although the desire of advertisers to reach *Information Age*'s specialist readership of IT business decision-makers remained strong across its media mix, advertising budgets towards traditional print were further reduced in 2014/15 against the previous year.

Traffic across the website showed significant growth against the previous year, with unique users up 30%. The new editorial approach, focusing on key topics around storage, security, networking and innovation, resonated very well with the brand's audience and is aligned more closely with new and existing advertisers.

Over 2015/16, the brand will maintain its strategic approach to further grow revenues through events and digital media, while launching improvements in data collection for lead generation and delivering new revenues through mobile.

INVESTMENT DIVISION

The Investment division is made up of two monthly titles for high-net-worth investors, *What Investment* and *Growth Company Investor*, and their associated websites WhatInvestment.co.uk and GrowthCompany.co.uk.

Revenues are from subscriptions, advertising and sponsorship (both for print and online), research and royalties, and accounted for 18% of total group sales in the 2014/15 financial year. The gross margin increased during the year to 69%, up from 67% in the previous year.

"Strong growth in 2014/15 in online advertising revenue and special projects, up 34% on the previous year"

The 2014/15 financial year saw continued pressure on sales from traditional print advertising, which was partly offset by strong growth in *What Investment* online advertising revenue and special projects, up 34% on the previous year.

Traffic on WhatInvestment.co.uk in relation to unique users grew 93% year-on-year and significantly contributed to the growth in digital revenues.

The special projects included digital guides on topics such as corporate finance activity and deal-making on AIM, as well as roundtables and research reports on *Investment Trusts for Income* and *Directors' Pay on AIM*.

Subscriber numbers on *What Investment* remain static, and throughout 2015 the team will introduce a new e-commerce and preference centre platform, which will directly benefit the subscription products.

EVENTS DIVISION

Vitesse Media's Events division works closely with the SME/Business, Technology and Investment teams to organise and monetise events associated with the company's flagship brands, such as GrowthBusiness.co.uk, *Growth Company Investor* and *Information Age*.

It also operates and has been steadily growing its third-party event management business, running events for a variety of clients. The team contributed 43% of the Group's revenues in 2014/15, up from 33% in the previous year, and achieved a gross margin of 45%.

"New events launched over 2014/15 delivered 19% new revenue"

Revenues originate from the sales of delegate places, tables, event sponsorship and third-party management contracts. Over 2014/15, the Events division has seen strong growth in organic revenues, up 10% year-on-year. Additionally, the team launched new events across the portfolio, including the Women in IT Awards, Tech Invest North and SDX Symposium – accounting for 19% in new revenues.

Events owned or part-owned by Vitesse Media include the M&A Awards, Investor Allstars and the New Energy & Cleantech Awards (associated with GrowthBusiness.co.uk); the Quoted Company Awards (associated with *Growth Company Investor*; and the Women in IT Awards, the Tech Invest series and the Leadership Series conferences (associated with *Information Age*). Of these, the Quoted Company Awards achieved the highest revenues, with Investor Allstars and the Women in IT Awards also delivering excellent revenues across sponsorship and delegate/table sales.

Even though the event management division performed well over 2014/15, going forward the executive management have made the decision to focus on growing their own events, which deliver better gross margins. The team is planning to launch a further two events in the coming year within the Technology and Investment divisions.

Strategic report

PRINCIPAL ACTIVITIES

The company specialises in offering digital campaigns, lead generation, specialist events including event management and research projects through its list of blue-chip and advisory customers, utilising its business and investment assets, such as websites, apps, events and other publications. The company is listed on AIM.

The Group conducts this business through the parent and its wholly owned subsidiaries: Growth Company Investor Ltd and Information Age Media Ltd.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A review of the development of the business during the year and future developments is given in the Chairman's Report and Business Review on pages 8 to 11.

BUSINESS RISKS AND UNCERTAINTIES

The Group's success' depends to an extent upon the recruitment, development and retention of key personnel. The Group has regular meetings with the staff to keep them apprised of key developments.

The Group faces competition from other publishing companies that places pressure on revenue, client retention and staff recruitment and retention. The Group is also susceptible to reduced revenues from client spend. To mitigate this, the Group does not have any reliance on specific major clients, having focused on developing a diverse client base.

KEY PERFORMANCE INDICATORS

The Group reviews revenue, gross profit percentage and pre-tax profit when analysing the business. Non-financial key performance indicators include web traffic and usage statistics, competitive reviews, staff turnover and major client retention.

	2015	***2014***
Revenue	£2,259,768	£2,109,690
Gross profit percentage	67.43%	72.91%
Loss before tax	(£28,056)	(£177,508)

GOING CONCERN

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

The Directors have formally reviewed cash flow forecasts for the period to 31 July 2016 for the purposes of approving these financial statements. The Group is part-financed through invoice discounting facilities and further details of these are explained in note 18. The cash flow forecasts demonstrate that the Group will be able to operate within the parameters of these facilities and the Directors are confident that such facilities and other borrowings (part-financed through Director loans) will continue to be made available to the Group beyond 31 July 2016. The Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

On behalf of the board on 10 July 2015,

N Baker
Director

Directors' report

The Directors submit their report and the audited financial statements of Vitesse Media Plc for the year ended 31 January 2015.

RESULTS AND DIVIDENDS
The results for the year are set out on page 18. The Directors are precluded from recommending the payment of a dividend.

FINANCIAL RISK MANAGEMENT
Financial risks are considered and disclosed in note 2 on page 31 onwards.

DIRECTORS
The following Directors have held office since 1 February 2014:

CJ Ingram	(Non-executive chairman, appointed 15 October 2014)
ESM Williams	(Resigned 14 October 2014)
DJ Smith	(Non-executive from 1 August 2014)
NJ Baker	
J Sumner	
AS Brode	(Non-executive)
K Willey	(Non-executive)
D Stewart	(Non-executive, appointed 25 February 2014, resigned 31 July 2014)
A Mearns	(Non-executive, appointed 15 October 2014)

DIRECTORS' INTERESTS IN ORDINARY SHARES
Interests of Directors who held office as at 31 January 2015 in the ordinary shares of the company were as follows:

	As at 31 January 2015 Ordinary shares of 1p each Number	*As at 31 January 2014 Ordinary shares of 1p each Number*
DJ Smith	7,368,421	7,368,421
AS Brode	916,149	916,149
CJ Ingram	2,886,306	2,886,306
A Mearns	3,914,142	3,914,142
K Willey	655,080	-

Details of Directors' interest in share options are disclosed in Note 6 of the financial statements. There have been no changes in Directors' interests since the year-end.

SIGNIFICANT SHAREHOLDERS

On 30 June 2015 the Company was aware of the following interests in the ordinary share capital of the Company of greater than 3%.

	Number	*%*
ESM Williams	9,994,452	19.7
DJ Smith	7,368,421	14.5
EBS Management Ltd	5,000,000	9.9
Chase Nominees Ltd	4,538,206	9.0
A Mearns	3,914,142	7.7
C Ingram	2,886,306	5.7
Greenhill LLC	2,348,485	4.6
Ferlim Nominees Ltd	1,960,259	3.9
The Bank of New York (Nominees) Ltd	1,600,000	3.2

EMPLOYEES

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

CORPORATE GOVERNANCE

The Board recognises the importance of sound corporate governance and has adopted policies and procedures that reflect the principles of the UK Corporate Governance Code and that are consistent with the Corporate Governance Guidelines for Smaller Quoted Companies published by the Quoted Companies Alliance in September 2010. The Group has appointed Remuneration and Audit committees to oversee these areas of activity. The non-executive Directors comprise these two committees.

The Audit Committee undertakes a formal assessment of the auditor's independence each year, which includes:

- a review of non-audit services provided to the Group and related fees;
- discussion with the auditor of a written report detailing all relationships with the Company and any other parties that could affect independence or the perception of independence;
- a review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including regular rotation of the audit partner; and
- obtaining written confirmation from the auditor that, in its professional judgement, it is independent.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

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

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

On behalf of the board on 10 July 2015,

N Baker

N Baker
Director

Directors' responsibilities in the preparation of financial statements

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU') and have elected under company law to prepare the company financial statements in accordance with IFRS as adopted by the EU.

The financial statements are required by law and IFRS adopted by the EU to present fairly the financial position of the Group and the Company and the financial 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.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing the Group and Company financial statements, the Directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether they have been prepared in accordance with IFRSs adopted by the EU;

d. 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.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Vitesse Media Plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Vitesse Media Plc

We have audited the Group and Parent Company financial statements ('the financial statements') on pages 18 to 56. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As more fully explained in the Directors' Responsibilities Statement on page 15, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENT

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 January 2015 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 IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER – GOING CONCERN

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made on page 27 of the financial statements concerning the Group's and the Parent Company's ability to continue as a going concern. The group incurred a loss, before tax, of £28,056 during the year ended 31 January 2015 and, at that date, the Group's current liabilities exceeded its current assets by £486,648. These conditions, along with the other matters explained on page 27 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Parent Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group or the Parent Company was unable to continue as a going concern.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements 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.

RICHARD COATES (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street,
London EC4A 4AB

10 July 2015

Consolidated statement of comprehensive income

for the year ended 31 January 2015

	Notes	2015 £	2014 £
Revenue	3	2,259,768	2,109,690
Cost of sales	4	(736,071)	(571,588)
Gross profit		1,523,697	1,538,102
Administrative expenses	4	(1,532,752)	(1,705,907)
Share-based payments	17	(11,234)	(1,975)
Operating loss	4	(20,289)	(169,780)
Finance costs	7	(7,767)	(7,728)
Loss before tax		(28,056)	(177,508)
Tax expense	8	-	-
Loss for the year and total comprehensive income for the year attributable to owners of the parent		(28,056)	(177,508)
Loss per share attributable to the owners of the parent Basic and diluted	9	(0.06p)	(0.47p)

The notes on pages 25 to 56 are an integral part of these consolidated financial statements.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Parent Company statement of comprehensive income. The loss and total comprehensive income for the Parent Company for the year was £433,130 (2014: loss of £381,360).

All activities of the Group are classed as continuing.

Consolidated statement of changes in equity

for the year ended 31 January 2015

Attributable to owners of the parent

	Share capital £	*Share premium* £	*Share-based payment reserve* £	*Other reserves* £	*Retained earnings* £	*Total* £
As at 31 January 2013	2,684,063	3,095,249	132,120	103,904	(4,501,031)	1,514,305
Loss for the year	-	-	-	-	(177,508)	(177,508)
Total comprehensive income for the year	-	-	-	-	(177,508)	(177,508)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Issue of share capital	94,931	113,917	-	-	-	208,848
Total transactions with owners in their capacity as owners	94,931	113,917	-	-	-	208,848
Recognition of share-based payments	-	-	1,975	-	-	1,975
Share options lapsed	-	-	(1,579)	-	1,579	-
As at 31 January 2014	2,778,994	3,209,166	132,516	103,904	(4,676,960)	1,547,620
Loss for the year	-	-	-	-	(28,056)	(28,056)
Total comprehensive income for the year	-	-	-	-	(28,056)	(28,056)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Issue of share capital	32,074	48,644	-	-	-	80,718
Total transactions with owners in their capacity as owners	32,074	48,644	-	-	-	80,718
Recognition of share-based payments	-	-	11,234	-	-	11,234
Share options lapsed	-	-	(42,623)	-	42,623	-
As at 31 January 2015	2,811,068	3,257,810	101,127	103,904	(4,662,393)	1,611,516

Company statement of changes in equity

for the year ended 31 January 2015

Attributable to owners of the parent

	Share capital £	*Share premium* £	*Share-based payment reserve* £	*Other reserves* £	*Retained earnings* £	*Total* £
As at 31 January 2013	2,684,063	3,095,249	132,120	103,904	(5,301,767)	713,569
Loss for the year	-	-	-	-	(381,360)	(381,360)
Total comprehensive income for the year	-	-	-	-	(381,360)	(381,360)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Issue of share capital	94,931	113,917	-	-	-	208,848
Total transactions with owners in their capacity as owners	94,931	113,917	-	-	-	208,848
Recognition of share-based payments	-	-	1,975	-	-	1,975
Share options lapsed	-	-	(1,579)	-	1,579	-
As at 31 January 2014	2,778,994	3,209,166	132,516	103,904	(5,681,548)	543,032
Loss for the year	-	-	-	-	(433,130)	(433,130)
Total comprehensive income for the year	-	-	-	-	(433,130)	(433,130)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Issue of share capital	32,074	48,644	-	-	-	80,718
Total transactions with owners in their capacity as owners	32,074	48,644	-	-	-	80,718
Recognition of share-based payments	-	-	11,234	-	-	11,234
Share options lapsed	-	-	(42,623)	-	42,623	-
As at 31 January 2015	2,811,068	3,257,810	101,127	103,904	(6,072,055)	201,854

Consolidated statement of financial position

Company Registration No. 02607995 — *at 31 January 2015*

	Notes	2015 £	2014 £
NON-CURRENT ASSETS			
Goodwill	10	739,332	729,332
Other intangible assets	10	1,465,184	1,367,007
Property, plant and equipment	11	3,648	3,286
		2,208,164	2,099,625
CURRENT ASSETS			
Inventories	14	15,533	16,216
Trade and other receivables	13	555,600	318,214
Cash and cash equivalents	15	27,368	227,479
		598,501	561,909
TOTAL ASSETS		2,806,665	2,661,534
EQUITY			
Share capital	16	2,811,068	2,778,994
Share premium account	16	3,257,810	3,209,166
Share option reserve		101,127	132,516
Other reserves		103,904	103,904
Retained earnings		(4,662,393)	(4,676,960)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		1,611,516	1,547,620
CURRENT LIABILITIES			
Trade and other payables	19	797,618	815,583
Borrowings	18	287,531	188,331
		1,085,149	1,003,914
NON-CURRENT LIABILITIES			
Borrowings	18	110,000	110,000
TOTAL LIABILITIES		1,195,149	1,113,914
TOTAL EQUITY AND LIABILITIES		2,806,665	2,661,534

The financial statements on pages 18 to 56 were approved by the board of Directors and authorised for issue on 10 July 2015.

They were signed on its behalf by:

N Baker

NJ Baker, Director

Company statement of financial position

Company Registration No. 02607995 *at 31 January 2015*

	Notes	2015	2014
		£	£
NON-CURRENT ASSETS			
Goodwill	10	273,829	273,829
Other intangible assets	10	898,185	794,173
Property, plant and equipment	11	2,316	2,090
Investment in subsidiaries	12	887,554	877,554
		2,061,884	1,947,646
CURRENT ASSETS			
Inventories	14	13,776	13,776
Trade and other receivables	13	277,547	192,980
Cash and cash equivalents	15	11,316	216,637
		302,639	423,393
TOTAL ASSETS		2,364,523	2,371,039
EQUITY			
Share capital	16	2,811,068	2,778,994
Share premium account	16	3,257,810	3,209,166
Share option reserve		101,127	132,516
Other reserves		103,904	103,904
Retained earnings		(6,072,055)	(5,681,548)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		201,854	543,032
NON-CURRENT LIABILITIES			
Trade and other payables	19	1,319,136	1,107,199
Borrowings	18	110,000	110,000
		1,429,136	1,217,199
CURRENT LIABILITIES			
Trade and other payables	19	507,413	469,127
Borrowings	18	226,120	141,681
		733,533	610,808
TOTAL LIABILITIES		2,162,669	1,828,007
TOTAL EQUITY AND LIABILITIES		2,364,523	2,371,039

The financial statements on pages 18 to 56 were approved by the board of Directors and authorised for issue on 10 July 2015.

They were signed on its behalf by:

N Baker

NJ Baker, Director

Consolidated statement of cash flows

for the year ended 31 January 2015

	Notes	*2015*	*2014*
		£	*£*
CASH FLOWS USED IN OPERATIONS	20	(197,076)	(46,074)
Interest paid		(7,767)	(7,728)
NET CASH USED IN OPERATING ACTIVITIES		(204,843)	(53,802)
INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(1,013)	(3,557)
Purchases of intangible assets		(149,673)	(28,046)
NET CASH USED IN INVESTING ACTIVITIES		(150,686)	(31,603)
FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares		56,218	208,848
Other loans (2014: Bank loans)		90,000	55,000
Payment/(Repayment) of invoice discounting facility and bank loan		9,200	(35,437)
Proceeds from long-term borrowings		-	110,000
NET CASH GENERATED FROM FINANCING ACTIVITIES		155,418	338,411
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	21	(200,111)	253,006
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	15	227,479	(25,527)
CASH AND CASH EQUIVALENTS AT END OF YEAR	15	27,368	227,479

Company statement of cash flows

for the year ended 31 January 2015

	Notes	*2015*	*2014*
		£	*£*
CASH FLOWS USED IN OPERATIONS	20	(335,259)	(364,108)
Interest paid		(5,579)	(5,389)
NET CASH USED IN OPERATING ACTIVITIES		(340,838)	(369,497)
INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(713)	(2,994)
Purchases of intangible assets		(149,673)	(6,100)
NET CASH USED IN INVESTING ACTIVITIES		(150,386)	(9,094)
FINANCING ACTIVITIES			
Proceeds from issue of share capital		80,718	208,848
Bank loan received		-	55,000
Repayment of invoice discounting facility and bank loan		(5,343)	(10,656)
Proceeds from short-term borrowings		90,000	-
Proceeds from long-term borrowings		-	110,000
Loans from subsidiaries		120,528	265,478
NET CASH GENERATED FROM FINANCING ACTIVITIES		285,903	628,670
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	21	(205,321)	250,079
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	15	216,637	(33,442)
CASH AND CASH EQUIVALENTS AT END OF YEAR	15	11,316	216,637

Notes to the financial statements

for the year ended 31 January 2015

Vitesse Media Plc is a public limited company incorporated in the United Kingdom, whose shares are publicly traded on the AIM market. The Company is domiciled in the United Kingdom and its principal place of business is 5th Floor, 14 Bonhill Street, London EC2A 4BX.

The consolidated financial statements represent the year to 31 January 2015 and comprise the financial statements of the Company and its subsidiaries ('Group'). The comparative period represents the year to 31 January 2014. The Group's principal activities are online, print publishing and events specialising in growing businesses.

1 *SIGNIFICANT ACCOUNTING POLICIES*

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

BASIS OF ACCOUNTING

The financial statements of Vitesse Media Plc have been prepared in accordance with EU Endorsed International Financial Reporting Standards and IFRIC interpretations (IFRS) and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

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 accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are noted below.

JUDGEMENTS AND ESTIMATES

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

Going concern

The Directors' process for monitoring forecasts and cash flows on an ongoing basis is set out on page 27.

Goodwill and publishing rights impairment

The Group is required to assess whether goodwill and publishing rights have suffered any impairment loss, based on the recoverable amount of its cash-generating units (CGUs). The recoverable amounts of the CGUs have been determined based on value-in-use calculations, and these calculations require the use of estimates in relation to future cash flows and suitable discount rates as disclosed in note 10. Actual outcomes could vary from these estimates.

Impairment of assets

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

If there is an indication that impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which this asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. Details can be found in note 10.

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of the future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised as income immediately unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Share-based payment

The Group issues equity-settled share-based payment transactions to certain employees. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The calculation of fair value at the date of grant requires the use of management's best estimate of volatility, risk-free rate and expected time to exercise the options.

ADOPTION OF INTERNATIONAL ACCOUNTING STANDARDS

No standards or interpretations adopted in the year had any material impact on the financial statements.

Interpretations to existing standards and new standards that are not yet effective and have not been early adopted by the Group

The following standards, amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning after 1 February 2014 or later periods, but they have not been early adopted by the Group:

* IFRS 2	Share-Based Payment:	1 July 2014
* IFRS 3 (Revised)	Business Combinations (January 2008):	1 July 2014
* IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations:	1 January 2016
* IFRS 7	Financial Instruments: Disclosure:	1 January 2016/IFRS 9 effective date
* IFRS 8	Operating Segments:	1 July 2014
* IFRS 9	Financial Instruments (issued October 2010):	1 January 2018
* IFRS 10	Consolidated Financial Statements:	1 January 2016
* IFRS 11	Joint Arrangements:	1 January 2016
* IFRS 12	Disclosure of Interests in Other Entities:	1 January 2016
* IFRS 13	Fair Value Measurement:	1 July 2014
* IFRS 14	Regulatory Deferral Accounts:	1 January 2016
* IFRS 15	Revenue from Contracts with Customers:	1 January 2017
* IAS 1	Presentation of Financial Statements:	1 January 2016
* IAS 16	Property plant and equipment:	1 July 2014/1 January 2016
* IAS 19	Employee benefits:	1 July 2014/1 January 2016
* IAS 24	Related Party Disclosures:	1 July 2014
* IAS 27	Separate Financial Statements:	1 January 2016
* IAS 28	Investments in Associates and Joint Ventures:	1 January 2016
* IAS 34	Interim Financial Reporting:	1 January 2016
* IAS 38	Intangible Assets:	1 July 2014/1 January 2016
* IAS 39	Financial Instruments:	IFRS 9 effective date
* IAS 40	Investment Property:	1 July 2014
* IAS 41	Agriculture:	1 January 2016

It is not anticipated that the adoption of the above standards, amendments and interpretations of existing standards will have a material impact on the Group or Company financial statements in the period of initial application.

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chairman's Report on pages 8 to 9 and the Business Review on pages 10 to 11.

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

The Directors have formally reviewed cash flow forecasts for the period to 31 July 2016 for the purposes of approving these financial statements. The Group is part-financed through invoice discounting facilities and further details of these are explained in note 18. The cash flow forecasts demonstrate that the Group will be able to operate within the parameters of these facilities, and the Directors are confident that such facilities and other borrowings (part-financed through Director loans) will continue to be made available to the Group beyond 31 July 2016. The Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

CONSOLIDATION

The Group's financial statements include the results and financial position of the Company and all of its subsidiaries.

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

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

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions under IFRS3 (revised) are recognised at their fair value at the acquisition date.

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

All subsidiaries have an accounting reference date of 31 January except Carduus Capital LLP, which prepares its accounts to 31 March.

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The results of subsidiaries are included in the consolidated statement of comprehensive income from the date of acquisition.

REVENUE

Revenue represents the fair value, net of value added tax, of consideration received or receivable, for goods sold and services provided to customers. There are three primary revenue streams:
* Advertising (both traditional and online), where income is recognised when the relevant publication is printed or campaign runs
* Subscriptions, which are recognised evenly on a time basis over the subscription period
* Event revenues, which are recognised in the period the events are held

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

1 *SIGNIFICANT ACCOUNTING POLICIES (continued)*

SHARE-BASED PAYMENTS

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

GOODWILL

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

GOODWILL IMPAIRMENT

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

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Goodwill is allocated to cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

PUBLISHING RIGHTS

In accordance with IAS 38 Intangible Assets, publishing rights acquired are capitalised as intangible assets.

Each acquisition is assessed individually in order to determine the estimated useful life of the publishing rights. Where the rights are regarded as having a limited useful life, they are amortised through profit or loss. Where the rights are considered to have an indefinite useful life, they are not amortised. In such cases, annual impairment reviews are carried out, in accordance with IAS 36 Impairment of Assets, by discounting estimated future cash flows from the individual publishing rights concerned, at an appropriate discount rate. The value of the publishing rights is then adjusted to its recoverable amount if required.

No amortisation has been provided on publishing rights as, given the nature of the publications, their areas of specialisation, strong brand recognition and track record, the publishing rights are currently considered to have an indefinite useful life. Publishing rights are assessed annually for impairment.

Publishing rights are allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the publishing rights arose.

WEBSITE DEVELOPMENT COSTS

Website development costs are accounted for in accordance with IAS 38. Development costs are capitalised as intangible assets only to the extent that they lead to the creation of an asset delivering benefits at least as great as the amount capitalised. All research, maintenance and other development costs are written off as incurred.

Website development costs are amortised over three to five years and are charged to administrative expenses.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, which is the higher of its fair value less costs to sell and its value in use, is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

Any impairment charge is recognised in profit or loss in the year in which it occurs for assets carried at cost if recoverable amount is less than the carrying value. Where an impairment loss, other than an impairment loss on goodwill, subsequently reverses due to a change in the original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount.

INVESTMENTS

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

PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

- Fixtures, fittings and equipment – over 2 to 5 years
- Short leasehold improvements – over the lease term

CURRENT AND DEFERRED TAXATION

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits (‘temporary differences’) and is accounted for using the balance sheet liability method.

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

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based upon tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

DEFERRED INCOME

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

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Inventories relate solely to raw materials.

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

LEASED ASSETS AND OBLIGATIONS
Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases.

Finance leases
Assets funded through finance leases are capitalised as property, plant and equipment and depreciated over their estimated useful lives or the lease term, whichever is shorter. The amount capitalised is the lower of the fair value of the asset or the present value of the minimum lease payments during the lease term determined at the inception of the lease. The resulting lease obligations are included in liabilities. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs on finance leases are charged directly to profit or loss.

Operating leases
Assets leased under operating leases are not recorded in the statement of financial position. Rental payments are charged directly to profit or loss on a straight-line basis over the lease term.

PROVISIONS AND INVOICE DISCOUNTING

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

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

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

TRADE AND OTHER RECEIVABLES
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment is made where there is objective evidence of impairment (including customers in financial difficulty or seriously in default against agreed payment terms). There is no material variance between carrying and fair values.

Significant financial difficulties of the customer, probability that the customer will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the statement of comprehensive income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

TRADE PAYABLES

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

BORROWINGS

Bank loans and overdrafts are recorded initially at their fair value, net of direct transaction costs, and finance charges are recognised in profit or loss over the term of the instrument. Note 18 provides details of the applicable interest rates. There is no material variance between book and fair values.

EQUITY INSTRUMENTS

Equity instruments are recorded at the proceeds received, net of direct issue costs.

COMPOUND FINANCIAL INSTRUMENTS

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability without an equity conversion option with the difference recognised as a component in equity. The fair value of the liability component of the Directors' convertible loans approximates the proceeds received so no adjustment has been made for the equity conversion option.

2 *FINANCIAL RISK MANAGEMENT*

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

LIQUIDITY RISK

The Group closely monitors its bank overdraft, invoice discounting and other credit facilities in comparison to its outstanding commitments to ensure that it has sufficient funds to meet its obligations as they fall due. The Group finance function produces regular forecasts that estimate the cash inflows and outflows for the next 12 months, so that management can ensure that sufficient financing is in place as it is required. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loan and invoice discounting.

2 FINANCIAL RISK MANAGEMENT (continued)

MATURITY ANALYSIS

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

Maturity analysis at 31 January 2015	*Less than 6 months* £	*Between 6 months and 1 year* £	*Between 1 year and 5 years* £	*Total* £
GROUP				
Bank loans, other loans and invoice discounting	227,531	60,000	110,000	397,531
Trade and other payables	570,044	-	-	570,044
Total liabilities	797,575	60,000	110,000	967,575
COMPANY				
Bank loans, other loans and invoice discounting	166,120	60,000	110,000	336,120
Trade and other payables	409,446	-	1,227,727	1,637,173
Total liabilities	575,566	60,000	1,337,727	1,973,293

Maturity analysis at 31 January 2014	*Less than 6 months* £	*Between 6 months and 1 year* £	*Between 1 year and 5 years* £	*Total* £
GROUP				
Bank loans, other loans and invoice discounting	188,331	-	110,000	298,331
Trade and other payables	540,520	-	-	540,520
Total liabilities	728,851	-	110,000	838,851
COMPANY				
Bank loans, other loans and invoice discounting	141,681	-	110,000	251,681
Trade and other payables	353,529	-	1,107,199	1,460,728
Total liabilities	495,210	-	1,217,199	1,712,409

Trade and other payables consist of trade payables, other payables and accruals as shown in note 19.

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

INTEREST RATE RISK

The Group's interest rate exposure arises mainly from its interest-bearing borrowings. Contractual agreements entered into at floating rates expose the Group to cash flow risk, while fixed-rate borrowings expose the Group to fair value risk.

The Group regularly reviews its funding arrangements to ensure that they are competitive with the marketplace.

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

31 January 2015

GROUP	Fixed Rate £	Floating rate £	Non-interest bearing £	Total asset £	Total liability £
Trade and other receivables	-	42,388	408,959	451,347	-
Total trade and other receivables	-	42,388	408,959	451,347	-
Bank loan, invoice discounting, other loans	200,000	197,531	-	-	397,531
Trade and other payables	-	-	570,043	-	570,043
Total liabilities at amortised cost	200,000	197,531	570,043	-	967,574

COMPANY	Fixed Rate £	Floating rate £	Non-interest bearing £	Total asset £	Total liability £
Trade and other receivables	-	42,388	180,039	222,427	-
Total trade and other receivables	-	42,388	180,039	222,427	-
Bank loan, invoice discounting, other loans	200,000	136,120	-	-	336,120
Trade and other payables	-	-	1,637,173	-	1,637,173
Total liabilities at amortised cost	200,000	136,120	1,637,173	-	1,973,293

2 FINANCIAL RISK MANAGEMENT (continued)

31 January 2014

GROUP	Fixed Rate £	Floating rate £	Non-interest bearing £	Total asset £	Total liability £
Trade and other receivables	-	21,139	223,893	245,032	-
Total loans and receivables	-	21,139	223,893	245,032	-
Bank loan, invoice discounting, other loans	137,666	160,665	-	-	298,331
Trade and other payables	-	-	540,520	-	540,520
Total liabilities at amortised cost	137,666	160,665	540,520	-	838,851

COMPANY	Fixed Rate £	Floating rate £	Non-interest bearing £	Total asset £	Total liability £
Trade and other receivables	-	21,139	138,545	159,684	-
Total loans and receivables	-	21,139	138,545	159,684	-
Bank loan, invoice discounting, other loans	137,666	114,015	-	-	251,681
Trade and other payables	-	-	1,460,728	-	1,460,728
Total liabilities at amortised cost	137,666	114,015	1,460,728	-	1,712,409

CREDIT RISK EXPOSURE

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

Financial assets

	GROUP		COMPANY	
	2015	2014	2015	2014
	£	£	£	£
Trade and other receivables	470,663	252,167	242,518	165,276
Estimated irrecoverable amounts	19,316	7,135	20,091	5,591

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

	GROUP		COMPANY	
	2015	2014	2015	2014
	£	£	£	£
As at 1 February	7,135	9,113	5,590	8,280
Provision for receivables impairment	16,009	13,009	21,677	4,971
Receivables written off during year as uncollectible	(3,828)	(14,987)	(7,176)	(7,660)
As at 31 January	19,316	7,135	20,091	5,591

The maximum exposure is the carrying amount as disclosed in note 13 and note 15. The average credit period taken on the sale of goods is 45 days (2014: 36 days). The allowance for estimated irrecoverable amounts has been made based upon the knowledge of the financial circumstances of individual trade customers at the reporting date. The Group holds no collateral against these receivables at the reporting date.

The following table provides an analysis of trade and other receivables that were past due at 31 January 2015 and 31 January 2014 but against which no provision has been made. The Group believes that the balances are ultimately recoverable based on a review of past payment history and the current financial status of the customers.

	GROUP		COMPANY	
	2015	2014	2015	2014
	£	£	£	£
Up to 3 months overdue	195,588	88,590	134,921	70,479
3 to 6 months overdue	20,563	793	18,491	720
	216,151	89,383	153,412	71,199

2 FINANCIAL RISK MANAGEMENT (continued)

CAPITAL RISK MANAGEMENT

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

FOREIGN CURRENCY RISK

The Group's policy is not to use forward contracts, and therefore none were outstanding at the year end (2014: £Nil). The Group has no foreign currency exposures at 31 January 2015 or 31 January 2014 so no numerical disclosures have been provided.

3 SEGMENTAL INFORMATION

Segment information is presented below.

	2015		2014	
	Revenue £	Profit £	Revenue £	Profit £
Continuing operations				
Events	732,471	330,402	696,341	314,223
SME	532,995	469,446	572,305	492,345
Investment	414,460	285,584	426,154	284,100
Technology	579,842	438,265	414,890	346,690
Segment revenue / profit	2,259,768	1,523,697	2,109,690	1,437,358
Central overheads and salaries		(1,501,839)		(1,550,960)
Depreciation and amortisation		(42,147)		(56,178)
Finance costs		(7,767)		(7,728)
Loss for the year		(28,056)		(177,508)

Revenue represents sales to external customers. There were no inter-segment sales in the period (2014: Nil).

None of the Group's customers account for more than 10% of revenue.

4 *OPERATING LOSS*

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

	2015	*2014*
	£	*£*
Depreciation of property, plant and equipment		
- owned assets	651	3,806
Amortisation of software and website development costs	42,147	52,372
Operating lease rentals in respect of land and buildings	76,750	71,040
Share-based payment	11,234	1,975
Exchange differences	-	2,133

Further information regarding the impairment of intangible assets can be found in note 10.

(b) AUDITOR'S REMUNERATION

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

	2015	*2014*
	£	*£*
Audit services		
- Fees payable to Company auditor for the audit of Parent Company and consolidated accounts	24,550	24,550
Other services		
Fees payable to the Company's auditor and its associates for other services:		
- The audit of Company's subsidiaries pursuant to legislation	15,450	15,450
- Corporation tax services	3,900	3,900

The disclosure of auditor's remuneration stated above relates to the Company's auditor, Baker Tilly UK Audit LLP and its associates.

(c) ANALYSIS OF OPERATING EXPENSES BY NATURE

	2015	*2014*
	£	*£*
Staff costs (see note 5)	772,983	877,021
Depreciation, amortisation and impairments (see notes 10 and 11)	42,147	56,178
Change in inventory	(683)	(3,288)
Magazine costs	254,792	177,312
Events costs	428,968	388,397
Premises costs	199,251	168,088
Marketing expenses	52,311	107,561
Professional fees	67,788	124,540
Other expenses	451,266	383,661
Total cost of sales and administrative expenses	2,268,823	2,279,470

5 *STAFF COSTS*

	2015 £	2014 £
Staff costs (excluding Directors)		
- wages and salaries	693,694	792,259
- social security costs	68,055	82,787
- share-based payments	11,234	1,975
	772,983	877,021

These costs are disclosed within administrative expenses in the income statement.

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

	2015 Number	2014 Number
Average monthly number of persons (including Directors and part-time employees) employed by the Group		
Senior management	7	6
Finance and administration	3	3
Editorial / design / events	13	17
Marketing and sales	6	10
	29	36

6 *DIRECTORS' REMUNERATION*

	2015	2014
	£	£
Aggregate emoluments	255,766	223,888
	255,766	223,888

	2015	2014
	£	£
Emoluments for qualifying services		
ESM Williams (resigned 14 October 2014)	18,281	23,333
AS Brode	15,000	7,500
N Baker	96,667	87,500
K Willey	5,000	5,000
J Sumner	94,167	85,000
DJ Smith	15,564	15,555
CJ Ingram (appointed 15 October 2014)	7,337	-
A Mearns (appointed 15 October 2014)	3,750	-
Directors' remuneration	255,766	223,888
Emoluments waived		
ESM Williams	-	74,167
AS Brode	-	7,500
DJ Smith	-	31,113
Emoluments waived	-	112,780

No pension payments are made on behalf of any of the Directors.

No share options were exercised in the period (2014: £Nil).

Fees for professional services totalling £6,720 (2014: £9,840) were payable to Venspeed Ltd, a company in which Mr K Willey, a Director of Vitesse Media Plc, has a controlling interest. The amount owed to Venspeed at 31 January 2015 was £Nil (2014: £23,080). The balance due was settled by the issue of 655,080 new ordinary shares in lieu of outstanding fees on 17 December 2014.

6 DIRECTORS' REMUNERATION (continued)

DIRECTORS' INTERESTS IN SHARE OPTIONS

The interests of the Directors in office at 31 January 2015 in share options of the Company are set out in the table below:

	31 January 2014 Number	Granted Number	Lapsed Number	31 January 2015 Number	Exercise price Pence	Exercisable period
N Baker	100,000	-	-	100,000	9.0	05/08/2010 to 04/08/2020
	50,000	-	-	50,000	9.0	28/02/2011 to 04/08/2020
	150,000	-	-	150,000	9.0	22/06/2012 to 04/08/2020
	200,000	-	-	200,000	8.0	15/02/2015 to 14/02/2021
	250,000	-	-	250,000	4.0	27/07/2015 to 26/07/2022
	200,000	-	-	200,000	2.25	14/02/2016 to 13/02/2023
	-	100,000	-	100,000	4.63	02/04/2017 to 02/04/2024
	-	500,000	-	500,000	3.75	30/09/2015 to 30/09/2024
	-	500,000	-	500,000	3.0	12/11/2015 to 12/11/2024
	950,000	1,100,000	-	2,050,000		
AS Brode	100,000	-	-	100,000	8.0	15/02/2015 to 14/02/2021
K Willey	100,000	-	-	100,000	8.0	15/02/2015 to 14/02/2021
J Sumner	5,000	-	-	5,000	9.0	05/08/2010 to 04/08/2020
	5,000	-	-	5,000	9.0	05/08/2010 to 04/08/2020
	5,000	-	-	5,000	9.0	05/08/2010 to 04/08/2020
	25,000	-	-	25,000	9.0	28/02/2011 to 04/08/2020
	100,000	-	-	100,000	9.0	22/06/2012 to 04/08/2020
	100,000	-	-	100,000	8.0	15/02/2015 to 14/02/2021
	150,000	-	-	150,000	4.0	26/07/2015 to 25/07/2022
	150,000	-	-	150,000	2.25	14/02/2016 to 13/02/2023
	-	100,000	-	100,000	4.63	02/04/2017 to 02/04/2024
	540,000	100,000	-	640,000		
DJ Smith	-	50,000	-	50,000	4.63	01/04/2017 to 02/04/2024
CJ Ingram	-	225,000	-	225,000	3.0	12/11/2015 to 12/11/2024

7 *FINANCE COSTS*

	2015 £	2014 £
Interest payable on bank loan and overdrafts	4,196	6,807
Other interest payable	3,571	921
	(7,767)	(7,728)

8 *TAXATION*

	2015 £	2014 £
(a) Current taxation		
UK corporation tax	-	-

Corporation tax is calculated at 21.33% (2014: 23.17%) of the estimated assessable profit for the year.

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

	2015 £	2014 £
Factors affecting tax charge for the year:		
Loss before taxation	(28,056)	(177,508)
Loss before tax multiplied by the standard rate of corporation tax in the UK of 21.33% (2014: 23.17%)	(5,985)	(41,129)
Effects of:		
Share-based payments not deductible	2,396	1,975
Other expenses not deductible for tax purposes	96	-
Other timing differences	12,033	-
Depreciation (less than)/in excess of capital allowances	(25,089)	39,154
Utilisation of tax losses	(749)	-
Tax losses carried forward	17,298	-
Tax charge for the year	-	-

At the reporting date, the Group has unused tax losses of £5,345,481 (2014: £5,292,739) available for offset against future profits. A net deferred tax asset of £1,041,483 (2014: £1,059,053) in respect of losses and other timing differences has not been recognised due to the unpredictability of future profit streams.

9 LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year (Note 16).

	2015 £	2014 £
Loss attributable to owners of the parent	(28,056)	(177,508)
Weighted average number of ordinary shares in issue	49,864,444	38,076,241
Basic earnings per share (pence per share)	(0.06p)	(0.47p)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group made a loss in the year so the share options and the convertible loans were not dilutive.

	2015 £	2014 £
Loss attributable to owners of the parent	(28,056)	(177,508)
Weighted average number of ordinary shares in issue	49,864,444	38,076,241
Dilutive effect:		
Share options and convertible loans	-	-
Diluted ordinary shares	49,864,444	38,076,241
Diluted earnings per share (pence per share)	(0.06p)	(0.47p)

10 *INTANGIBLE ASSETS*

GROUP	*Website development costs* £	*Software* £	*Publishing rights* £	*Sub-total* £	*Goodwill* £	*Total* £
COST						
1 February 2013	352,527	93,818	1,815,813	2,262,158	1,027,999	3,290,157
Additions	28,046	-	-	28,046	-	28,046
31 January 2014	380,573	93,818	1,815,813	2,290,204	1,027,999	3,318,203
Additions	8,576	131,097	-	139,673	10,000	149,673
31 January 2015	389,149	224,915	1,815,813	2,429,877	1,037,999	3,467,876
AMORTISATION AND IMPAIRMENT						
1 February 2013	270,657	33,438	566,730	870,825	298,667	1,169,492
Amortisation charge for the year	27,399	24,973	-	52,372	-	52,372
31 January 2014	298,056	58,411	566,730	923,197	298,667	1,221,864
Amortisation charge for the year	25,038	16,458	-	41,496	-	41,496
31 January 2015	323,094	74,869	566,730	964,693	298,667	1,263,360
NET BOOK VALUE						
31 January 2015	66,055	150,046	1,249,083	1,465,184	739,332	2,204,516
31 January 2014	82,517	35,407	1,249,083	1,367,007	729,332	2,096,339
1 February 2013	81,870	60,380	1,249,083	1,391,333	729,332	2,120,665

Software additions principally comprise development costs in the year (2014: £Nil) and will commence amortisation upon completion of the crowd-funding platform in 2015/16.

10 INTANGIBLE ASSETS (continued)

COMPANY	*Website development costs* £	*Software* £	*Publishing rights* £	*Sub-total* £	*Goodwill* £	*Total* £
COST						
1 February 2013	260,042	80,018	1,271,808	1,611,868	570,303	2,182,171
Additions	6,100	-	-	6,100	-	6,100
31 January 2014	266,142	80,018	1,271,808	1,617,968	570,303	2,188,271
Additions	8,576	131,097	-	139,673	-	139,673
31 January 2015	274,718	211,115	1,271,808	1,757,641	570,303	2,327,944
AMORTISATION AND IMPAIRMENT						
1 February 2013	195,060	25,398	564,325	784,783	296,474	1,081,257
Amortisation charge for the year	18,646	20,365	-	39,011	-	39,011
31 January 2014	213,706	45,763	564,325	823,794	296,474	1,120,268
Amortisation charge for the year	21,199	14,463	-	35,662	-	35,662
31 January 2015	234,905	60,226	564,325	859,456	296,474	1,155,930
NET BOOK VALUE						
31 January 2015	39,813	150,889	707,483	898,185	273,829	1,172,014
31 January 2014	52,436	34,255	707,483	794,174	273,829	1,068,003
1 February 2013	64,982	54,620	707,483	827,085	273,829	1,100,914

Software additions principally comprise development costs in the year (2014: £Nil) and will commence amortisation upon completion of the crowd-funding platform in 2015/16.

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Goodwill				
Investor Allstars	108,476	108,476	108,476	108,476
Growth Company Investor Ltd	41,663	41,663	-	-
Information Age Media Ltd	413,840	413,840	-	-
M&A Deals	165,353	165,353	165,353	165,353
Carduus	10,000	-	-	-
	739,332	729,332	273,829	273,829

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Publishing rights				
What Investment	494,890	494,890	494,891	494,891
Small Business Guide	212,592	212,592	212,592	212,592
Growth Company Investor	11,506	11,506	-	-
The Wrong Price	5,000	5,000	-	-
Information Age	525,095	525,095	-	-
	1,249,083	1,249,083	707,483	707,483

The Group tests goodwill and publishing rights annually for impairment, or more frequently if there are indications that goodwill might be impaired.

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

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for a period of 12 months and extrapolates cash flows for the relevant period based on the estimated growth for each CGU for a further 48 months.

The rate used to discount the forecast cash flows for each of the CGUs was 11% (2014: 11%) and growth rates are assumed to be an average of industry expected growth rates, which range from 0% to 15%.

The maximum remaining amortisation period on website development costs is up to five years.

10 *INTANGIBLE ASSETS (continued)*

Sensitivity to changes in assumptions

Forecast future cash flows are inherently uncertain and could change materially over time. The CGUs most impacted by changes in assumptions are *Information Age* and *What Investment*.

The estimated recoverable amount for *Information Age* is £1,367,698, compared to its carrying value of intangibles of £938,935. The key assumptions in the cash flow forecasts relate to revenue. The forecasts assume that online revenue is expected to grow by 10% in Year Two and 10% in Years Three to Five, with print revenue to stay the same for the whole period. At the end of Year One a new conference awards ceremony, Tomorrow's Women, will be launched to capitalise on the in-house expertise. If the growth rate of online revenue in Years Two and Three was 5%, the recoverable amount would drop to £1,305,394.

The estimated recoverable amount for *What Investment* is £517,613, compared to its current carrying value of £494,890. The key assumptions in the cash flow forecasts relate to revenue. The forecasts assume that online revenue growth will be 15% in Year Two and 10% in Years Three to Five. A *What Investment* 'Women in Investment' award ceremony will be launched in Year One. If the forecast growth rate of online revenues was 5% for Years Two and Three and there was no growth for print, then the recoverable amount would reduce to £498,191.

11 *PROPERTY, PLANT AND EQUIPMENT*

GROUP	*Short leasehold improvements*	*Fixtures, fittings and equipment*	*Total*
COST	*£*	*£*	*£*
1 February 2013	22,652	230,619	253,271
Additions	-	3,557	3,557
31 January 2014	22,652	234,176	256,828
Additions	-	1,013	1,013
Disposals	(22,652)	-	(22,652)
31 January 2015	-	235,189	235,189
DEPRECIATION			
1 February 2013	22,652	227,084	249,736
Charge for the year	-	3,806	3,806
31 January 2014	22,652	230,890	253,542
Charge for the year	-	651	651
Disposals	(22,652)	-	(22,652)
31 January 2015	-	231,541	231,541
NET BOOK VALUE			
31 January 2015	-	3,648	3,648
31 January 2014	-	3,286	3,286
1 February 2013	-	3,535	3,535

COMPANY	*Short leasehold improvements*	*Fixtures, fittings and equipment*	*Total*
	£	*£*	*£*
COST			
1 February 2013	22,652	192,261	214,913
Additions	-	2,994	2,994
31 January 2014	22,652	195,255	217,907
Additions	-	713	713
Disposals	(22,652)	-	(22,652)
31 January 2015	-	195,968	195,968
DEPRECIATION			
1 February 2013	22,652	189,759	212,411
Charge for the year	-	3,406	3,406
31 January 2014	22,652	193,165	215,817
Charge for the year	-	487	487
Disposals	(22,652)	-	(22,652)
31 January 2015	-	193,652	193,652
NET BOOK VALUE			
31 January 2015	-	2,316	2,316
31 January 2014	-	2,090	2,090
1 February 2013	-	2,502	2,502

12 INVESTMENTS

COMPANY	*Subsidiary undertakings* £
COST	
1 February 2013, 31 January 2014	877,554
Acquisition of Carduus Capital LLP	10,000
31 January 2015	887,554
AMOUNTS WRITTEN OFF	
1 February 2013, 31 January 2014 and 31 January 2015	-
NET BOOK VALUE	
1 February 2013, 31 January 2014	877,554
31 January 2015	887,554

The Company holds 100% of the issued ordinary share and voting rights capital of the following subsidiary undertakings which have been included in the consolidated accounts. All subsidiaries are incorporated in England and Wales. Carduus Capital LLP was acquired in September 2014. Carduus Capital LLP has an accounting reference date of 31 March.

COMPANY	*PRINCIPAL ACTIVITY*
Growth Company Investor Ltd	Online, print publishing and events for investors and entrepreneurs
Information Age Media Ltd	Monthly publication and events for IT professionals
Carduus Capital LLP	Dormant

13 TRADE AND OTHER RECEIVABLES

	Group		*Company*	
	2015 £	*2014* £	*2015* £	*2014* £
Current:				
Trade receivables	320,209	216,185	200,130	144,137
Impairment of trade receivables	(19,316)	(7,135)	(20,091)	(5,591)
	300,893	209,050	180,039	138,546
Other receivables	150,454	35,982	42,388	21,139
Prepayments and accrued income	104,253	73,182	55,120	33,295
	555,600	318,214	277,547	192,980

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

14 INVENTORIES

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Raw materials	15,533	16,216	13,776	13,776

The amount of inventories recognised as an expense and charged to cost of sales was £683 (2014: £23,793).

15 CASH AND CASH EQUIVALENTS

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Cash and cash equivalents	27,368	227,479	11,316	216,637
	27,368	227,479	11,316	216,637

Cash and cash equivalents comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less.

Cash and cash equivalents at 31 January 2015 includes £10,254 (2014: £193,847) of proceeds from the shares issued in the prior and current year (see note 16) that is held in a separate 'ring-fenced' bank account for the development of the 'crowd-funding platform'.

16 CALLED-UP SHARE CAPITAL

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Authorised:				
119,565,917 ordinary shares of 1p each	1,195,659	1,195,659	1,195,659	1,195,659
25,603,787 deferred shares of 9p each	2,304,341	2,304,341	2,304,341	2,304,341

	2015	2015	2014	2014
	Number	£	Number	£
Issued and fully paid ordinary shares of 1p each:				
As at 1 February 2014	47,465,260	474,653	37,972,208	379,722
Shares issued during the year	3,207,483	32,074	9,493,052	94,931
As at 31 January 2015	50,672,743	506,727	47,465,260	474,653
Deferred shares of 9p each:				
At 31 January 2014 and 2015	25,603,787	2,304,341	25,603,787	2,304,341

	Share capital	Share premium	Total
	£	£	£
Issued and fully paid:			
As at 1 February 2013	2,684,063	3,095,249	5,779,312
Shares issued during the year	94,931	113,917	208,848
As at 31 January 2014	2,778,994	3,209,166	5,988,160
Shares issued during the year	32,074	48,644	80,718
As at 31 January 2015	2,811,068	3,257,810	6,068,878

Rights of shares

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

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

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

Shares issued during the year

Shares issued during the year were for a cash injection to support the development of a new SME crowd-funding platform. Shares were issued on 7 March 2014 at a price of 2.20p per share in respect of the second tranche placement for the crowd-funding platform and on 11 December 2014 at a price of 3.75p per share settling the liability in respect of Mr K Willey.

In the prior year, shares were issued on 28 January 2014 at a price of 2.20p per share.

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

Grant date	*Subscription price per share*	*Period within which options are exercisable*	*Number of shares for which rights are exercisable 2015*	*2014*
28.02.2007	22.50p	28.02.2007 - 28.02.2017	-	120,000
05.08.2010	9.00p	05.08.2010 - 04.08.2020	115,000	227,060
05.08.2010	9.00p	28.02.2011 - 04.08.2020	75,000	125,000
05.08.2010	9.00p	22.06.2012 - 04.08.2020	250,000	257,143
15.02.2011	8.00p	15.02.2015 - 14.02.2021	500,000	500,000
27.07.2012	4.00p	26.07.2015 - 25.07.2022	400,000	400,000
14.02.2013	2.25p	14.02.2016 - 13.02.2023	350,000	350,000
01.04.2014	4.63p	01.04.2014 - 01.04.2024	150,000	-
01.04.2014	4.63p	01.04.2017 - 01.04.2024	200,000	-
30.09.2014	3.75p	30.09.2015 - 30.09.2024	500,000	-
12.11.2014	3.00p	12.11.2015 - 12.11.2024	725,000	-
			3,265,000	1,979,203

17 *EQUITY-SETTLED SHARE OPTION SCHEMES*

For details of share option schemes in place during the year, see note 16.

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

	2015 Number	*2015 WAEP (pence)*	*2014 Number*	*2014 WAEP (pence)*
Outstanding at the beginning of the year	1,979,203	7.4p	1,640,203	8.5p
Granted during the year	1,575,000	3.6p	350,000	2.3p
Lapsed during the year	(289,203)	14.6p	(10,000)	14.5p
Forfeited during the year	-	-	(1,000)	32.0p
Outstanding at the end of the year	3,265,000	4.9p	1,979,203	7.4p
Exercisable at the end of the year	440,000	9.0p	729,203	11.2p

The market price of the Company’s shares on 31 January 2015 was 2.88p (2014: 2.75p).

17 *EQUITY-SETTLED SHARE OPTION SCHEMES (continued)*

The fair values were calculated using the Black-Scholes valuation method. The inputs to the model were as follows:

	2015	*2014*
Weighted average share price (pence)	3.62	2.25
Exercise price (pence)	3 – 4.63	2.25
Expected volatility (%)	44.3 – 45.6	30.2
Expected life (years)	6	4
Risk-free rate (%)	2.20 – 2.74	2.18
Dividend yield (%)	-	-
Vesting condition (%)	-	-

Expected volatility was determined by calculating the historic volatility of the Group's share price over the previous five-year period.

The weighted average remaining contractual life is 8.1 years (2014: 7.2 years).

The charge for the year for options granted during the year was £11,234 (2014: £1,975), which is included in administrative expenses. Fair value of the options granted during the year was £26,371 (2014: £2,137).

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

18 *BORROWINGS*

	Group		*Company*	
	2015	*2014*	*2015*	*2014*
	£	*£*	*£*	*£*
Current:				
Bank loan	-	27,666	-	27,666
Invoice discounting facilities	197,531	160,665	136,120	114,015
Short-term loans	90,000	-	90,000	-
	287,531	188,331	226,120	141,681
Non current:				
Convertible loan	30,000	30,000	30,000	30,000
Long-term loan	80,000	80,000	80,000	80,000
	110,000	110,000	110,000	110,000

The bank overdraft and invoice discounting facilities are at floating rates, exposing the Group to cash flow interest rate risk.

The weighted average interest rates paid were as follows:

	2015	*2014*
	%	*%*
Invoice discounting facilities	3.25	2.43
Bank loan	-	4.00
Short-term loans	6.33	-
Convertible loan	6.50	6.50
Long-term loan	7.00	7.00

Sensitivity analysis on the level of interest rates has not been undertaken as the Directors believe that any increase or decrease in interest rates during the current and previous year would have had no material impact on the level of interest payable. The fair value of borrowings approximates their carrying amount, as the impact of discounting is not significant.

The other principal features of the Group's borrowings are as follows:

(i) Invoice discounting facility advances are secured by a debenture over trade receivables. The net book value is disclosed in Note 13. The average effective interest rate approximates to 2.43% per annum and is determined based on 1.4% to 3.5% above bank base rates.

(ii) A convertible Directors' loan that has a fixed interest rate of 6.5% and is secured against the company's assets. It is due for repayment by the end of September 2016 and with an option to be converted at any time (part or all) after 29 September 2014 into ordinary shares in Vitesse Media Plc at a price of 2p per share.

(iii) The long-term loan is a debenture loan that has a fixed interest rate of 7%. It is due for repayment in February 2017. £55,000 of the loan was lent by The Derek Stewart SIPP, of which Derek Stewart is a controlling party. Derek Stewart was appointed as a non-executive Director of the company on 25 February 2014 and resigned on 31 July 2014.

19 *TRADE AND OTHER PAYABLES*

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Current:				
Trade payables	256,601	345,807	198,097	232,509
Taxation and social security	81,833	109,186	31,740	51,816
Other payables	18,565	30,719	544	8,619
Accruals	294,878	163,994	210,987	112,401
Deferred income	145,741	165,877	66,045	63,782
	797,618	815,583	507,413	469,127
Non-current:				
Amounts owed to subsidiary undertakings	-	-	1,319,136	1,107,199

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

20 *NOTES TO THE CASH FLOW STATEMENT*

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Loss before tax	(28,056)	(177,508)	(433,130)	(381,360)
Adjustments for:				
Finance costs	7,767	7,728	5,579	5,389
Amortisation	41,496	52,372	35,662	39,011
Depreciation of property, plant and equipment	651	3,806	487	3,406
Share-based payment charge	11,234	1,975	11,234	1,975
Operating cash flows before movements in working capital	33,092	(111,627)	(380,168)	(331,579)
Decrease in inventories	683	3,288	-	-
(Increase)/decrease in receivables	(237,386)	35,833	(84,786)	5,114
Increase/(decrease) in payables	6,535	26,432	129,695	(37,643)
CASH FLOWS USED IN OPERATIONS	(197,076)	(46,074)	(335,259)	(364,108)

21 RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS AND ANALYSIS OF NET FUNDS

GROUP	*At 1 February 2014*	*Cash flow*	*At 31 January 2015*
	£	*£*	*£*
Cash in hand and at bank	227,479	(200,111)	27,368
	227,479	(200,111)	27,368

COMPANY	*At 1 February 2014*	*Cash flow*	*At 31 January 2015*
	£	*£*	*£*
Cash in hand and at bank	216,637	(205,321)	11,316
	216,637	(205,321)	11,316

22 OPERATING LEASE COMMITMENTS

Total of future minimum operating lease payments under non-cancellable operating leases:

	Group		*Company*	
	2015	*2014*	*2015*	*2014*
	£	*£*	*£*	*£*
Land and buildings:				
Less than one year	98,405	54,691	98,405	54,691
Between one and two years	98,405	-	98,405	-
Between two and five years	73,804	-	73,804	-
	270,614	54,691	270,614	54,691

The lease is in respect of the property used by the Group in its business.

23 RELATED PARTY TRANSACTIONS

GROUP

ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

KEY MANAGEMENT COMPENSATION

The key management personnel are considered to be the Directors, and their remuneration is:

	2015 £	2014 £
Directors' remuneration	255,766	223,888
Share-based payments	11,234	1,975
Social security costs	28,174	24,446
Total	295,174	250,309

RELATED PARTY TRANSACTIONS

During the year ending 31 January 2015, the related party transactions were concerning inter-company loans and other transactions with directors which are disclosed in notes 6 and 18.

COMPANY

TRANSACTIONS WITH SUBSIDIARIES

The only transactions with subsidiary companies during the year ending 31 January 2015 and 31 January 2014 related to inter-company loan payments and receipts.

	2015 £	2014 £
Loans due to subsidiary companies:		
Growth Company Investor Ltd	(273,426)	(450,821)
Information Age Media Ltd	(954,301)	(656,378)
Total	(1,227,727)	(1,107,199)

24 CONTINGENT LIABILITY

The Company is included in a group registration for VAT purposes and is therefore jointly and severally liable for all other Group companies' unpaid debts in this connection. The liability of the UK group registration at 31 January 2015 totalled £20,000 (2014: £26,655).

VITESSE MEDIA

Annual Report & Accounts 2015

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