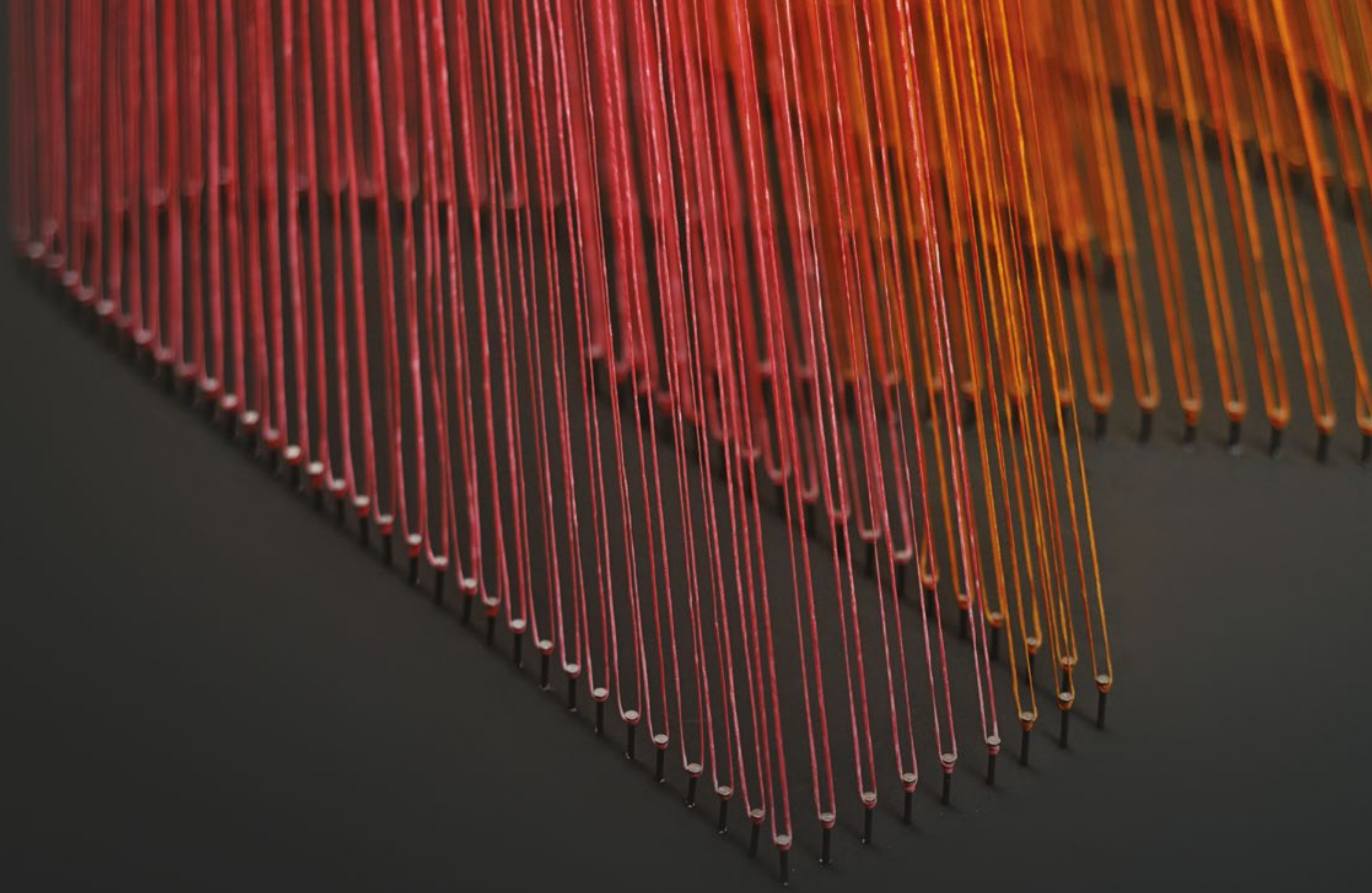

Annual Report & Accounts

For the year ended
31 March 2015

Jaywing PLC

JAYWING

Contents

Performance Highlights

Revenue
£33.8m
(2014: £26.7m)

Gross profit*
£30.1m
(2014: £21.6m)

Adjusted EBITDA**
£4.1m
(2014: £2.3m)

Adjusted EBITDA margin***
13.5%
(2014: 10.7%)

Basic EPS on adjusted EBITDA
5.3p
(2014: 3.1p)

Basic EPS
1.91p
(2014: 6.44p)

Net debt
£5.2m
(2014: £5.8)

Highlights:

- Gross profit (fee income) up 39% to £30.1 million (2014: £21.6 million)
- Adjusted EBITDA up 75% to £4.1 million (2014: £2.3 million)
- Adjusted EBITDA margin increased by 2.8% to 13.5%
- Fourth consecutive period of EBITDA growth (half yearly)
- Epiphany acquisition fully integrated and making strong contribution
- New strategy in place to accelerate growth and tighten operational focus
- Board changes to align with delivery of new strategy

Outlook:

- Trading in Q1 2015 in line with management expectations

* Revenue less direct costs of sale
** Before amortisation, share based charges, exceptional items and acquisition related costs
*** As a percentage of gross profit

Chief Executive's Report

Jaywing today

Jaywing is a leading UK based agency employing approximately 600 people across five sites in the UK (Leeds, Sheffield, Newbury, Swindon and London) and with an embryonic operation in Sydney, Australia. It is the largest agency in the North of England and I'm delighted to say was recently voted the best large agency in the Prolific North Awards.

Data now sits at the heart of Jaywing. We believe that the size and calibre of our data science team clearly distinguishes us from the competition. Our data scientists help blue chip clients to make sense of the ever more complex multi-channel, multi-device world in which they operate. Jaywing data scientists, comprising a team of over 50 people, work in collaboration with Jaywing's wider marketing and customer experience specialists. By bringing on and offline data together, they are able to produce unique insights and algorithms to help power and increase the efficiency of clients' marketing and customer experience programmes.

The last 12 months

Acquisition and integration of Epiphany
The acquisition and successful integration of search marketing specialist Epiphany Solutions Limited ("Epiphany") in March 2014 has proven to be transformational for Jaywing. It has given us a profitable growth platform as well as access to digital data and online media expertise. This has enabled our data scientists to develop innovative new products and services whilst Epiphany itself has benefited from being part of Jaywing in new business terms by sharing its competitive advantage in data science.

Improved resilience
The resilience of the business has significantly improved:

- Following the acquisition of Epiphany and after winning a large customer experience contract for Collect+, approximately 50% of our income is now recurring with contracts lasting between 12 months and three years. The remaining income is derived from multi-year framework agreements or project specific contracts. Consequently, visibility of income has improved from a situation where approximately 30% of income was visible beyond six weeks to a place where approximately 60% is now secure.
- Jaywing has diversified its customer base, substantially reducing client concentration risk. Currently, no single client accounts for more than 5% of income and no industry sector accounts for more than 25% of income.

Increased sales
Cross-selling of products and services is now well established and continues to be a key focus. Over a quarter of our top 50 clients are now buying services from at least two different service lines, with some buying from up to four. In addition, our drive to win new business continues and generated an additional £4 million of income from new clients, which was well ahead of the previous year's performance. Notable wins include Irwin Mitchell and Nationwide Building Society.

Innovation
During the period, product and service innovation has been a high priority. We have now created a data architecture that uses digital data capture alongside Big Data processing components to create a repository for on and offline data. Powerful algorithms developed using data in this repository can now deliver highly personalised display advertising, websites and email programmes that distinguish between non, new and existing customers.

Strong cash generation
The business remains cash generative. During the period, net debt fell from £5.8 million to £5.2 million after earn-out payments of £1.4 million and corporation tax payments of £0.8 million. Free cash flow generated was £2.0 million. The net debt to EBITDA ratio was 1.3x at the year end, an improvement from the previous period. The balance sheet includes accruals for the final Iris Associates Limited ("Iris") earn-out payment, in addition to the first Epiphany earn-out payment.

The next 12 months and beyond

Market conditions are likely to remain positive
The Q1 2015 influential IPA Bellwether Report shows that UK marketing budgets increased for the tenth consecutive quarter, and at an accelerated pace with spend on digital marketing seeing the highest upward revisions. This trend looks set to continue with 28% of brands intending to increase their marketing budgets in 2015/16.

Econsultancy's quarterly Digital Intelligence Briefing published in January found that 78% of companies aim to differentiate themselves by improving their customer experience in the year ahead with almost 60% of respondents saying that cross-channel marketing would be a key focus for them in 2015. Consequently, targeting and personalisation (30%), content optimisation (29%) and social media engagement (27%) are the most likely to be prioritised during 2015.

Not surprisingly, marketers are concerned about the growing complexity arising from the proliferation of channels and devices, the explosion of data and the expectation of a seamless multi-channel customer experience. According to a recent IBM survey of Chief Marketing Officers, 80% felt that they would need to deal with high levels of complexity in the next few years and fewer than 50% felt they and their organisations were prepared to cope with it.

These market trends are all positive for Jaywing. We have real depth in today's key specialisms and the ability to join them up through our collaborative operating model and culture. More than that, we have an outstanding team of data scientists who can harness the power of the data that is so vital to personalising and prioritising communications.

Encouraging start to the new financial year
The year started with the launch of our new proposition "making sense of NOW". This directly addresses the challenges marketers face in managing the complexity of ever more sophisticated marketing activities in the rapidly changing, technology-led consumer world in which they operate.

Our websites, along with all of our other marketing collateral, have been re-developed for the Jaywing and Epiphany brands. The reaction from both our clients and our people has been very positive and we now believe we have the platform to build far greater brand awareness and to generate far more inbound sales opportunities.

Financially, we've also made a good start to the year with some significant client wins, strong spend from existing clients and encouraging levels of cross-selling activity.

Strategic update

Sharpening our focus
Following the successful launch of our new proposition, we will continue to sharpen our focus and concentrate on activities where we see the biggest opportunity to benefit from the use of data science and which offer attractive margins.

Creating a low risk international growth platform
The UK is a highly competitive market place with sophisticated buyers of our services. Whilst the market outlook remains very positive in our sector, achieving double digit growth rates domestically for a business of our scale is challenging. Consequently, we have been exploring complementary strategies to accelerate our organic growth, and in particular, we are exploring options to generate international sales.

The year started with the launch of our new proposition "making sense of NOW". This directly addresses the challenges marketers face in managing the complexity of ever more sophisticated marketing activities in the rapidly changing, technology-led consumer world in which they operate.

Martin Boddy,
Chief Executive Officer

We have an exciting strategy that will see Jaywing move ever further away from being "another" marketing agency group to being a marketing agency specialising in data science and working in areas of growing marketing spend.

Martin Boddy,
Chief Executive Officer

Industry trends indicate that higher growth is achieved internationally in less mature and competitive markets. We are currently seeking access to an international distribution channel through which we can sell our newly developed products and a number of our services (to be delivered primarily from our UK base). We consider this to be a low risk and proven model in the industry.

Our intention is to explore possibilities either to enter into a commercial joint venture or acquire a business with an established international distribution channel and a product suite that sits well alongside our own. In addition, we will seek to develop an improved sales channel in Australia by growing our small operation in Sydney, which currently only sells search marketing services.

Closer to home, we remain interested in opportunities to repeat the success of our acquisition of Iris, the Sheffield based creative agency. Here, we acquired a relatively small business with great people that was located in close proximity to one of our existing operations. By integrating it immediately we were able to deliver significant synergies whilst scaling the overall operation.

Innovation in data science
We believe that, over the next few years, innovation in data science has the potential to disrupt the marketing industry, changing the way marketing is done and the role played by marketing agencies. We intend to be at the forefront of developments in this space and are seeking to build links with academia as well as continuing to build our impressive data science team.

Following successful testing last year and some live client projects this year, our short-term focus is to hone our new product set and generate sales. We will also seek to re-launch our Digital Collections product which allows organisations such as retailers and local government to automate debt collection through highly personalised communication and enhanced online payment functionality.

Re-aligning the Board
As announced in July 2015, given the ambitious plan we have set for ourselves, we have decided to strengthen and realign the Executive team of the Board in service of our new strategic direction:

- Andy Gardner (previously COO) will lead our strategic initiatives (M & A, product and distribution) and take on the title of Chief Strategy Officer.
- Michael Sprot (previously Finance Director) was promoted to the role of Chief Financial Officer (CFO).
- Rob Shaw (previously CEO Epiphany) joined the Board as CEO UK & Australia. He was joined by Adrian Lingard (previously MD Consulting) who took on the role of COO. Rob and Adrian both have tremendous track records and will be responsible for the performance of our core Jaywing business. Their current roles will be filled from within their own teams providing welcome progression for some very talented individuals.
- I remain CEO of Jaywing plc with the individuals above reporting to me.

So, in summary, on the back of a successful year, the business is now in a position to push forward with greater ambition.

We have an exciting strategy that will see Jaywing move ever further away from being "another" marketing agency group to being a marketing agency specialising in data science and working in areas of growing marketing spend. A business that has both a high level of resilience and a strong platform for domestic and international growth. And, of course, a business with some exceptional people working in a highly collaborative environment for blue chip clients.

Martin Boddy
Chief Executive Officer
Jaywing plc

What makes us different

In April 2015, we launched our 'Now' proposition.

Now is a complex digital world dominated by data, content and technology.

Channels are fragmented and awash with data. The lines between product, service and relationships are blurred and success depends on managing complexity.

Jaywing has all of today's key specialisms and the rare ability to join them up. We connect powerful ideas, rich data and new technologies to engage people and help revitalise and reshape businesses.

With a unique blend of people and skills, we believe there has never been a better time to do what we do. This is underpinned by four key pillars that run throughout Jaywing.

We transform data into value – turning today's rising tide of data into something you can act on.

We fuel brands – creating powerful brand experiences that cross boundaries and stimulate a response.

We connect on customers' terms – responding to their needs precisely and seamlessly across all channels.

We reimagine businesses – helping to seize today's opportunities and building business cases to exploit them.

We make sense of now

Chairman's Statement

These are exciting times for Jaywing and we find ourselves ideally placed to take advantage of the changes in the industry and the increasing focus on Big Data science.

Ian Robinson
Chairman

Performance

I am pleased to report that 2014/15 has been a transformational year for Jaywing.

The successful acquisition and integration of Epiphany along with a new strategic direction and the realignment of an expanded executive team has given us a strong growth platform going forward.

It has also been a year of innovation with the development of our secure Big Data environment where we combine on and offline data to improve our clients marketing and customer experience programmes. We have also invested in product development that uses this data environment and in strengthening our content marketing team.

These are exciting times for Jaywing and we find ourselves ideally placed to take advantage of the changes in the industry and the increasing focus on Big Data science.

The Board and Governance

The Board has been active during the year, supporting the Executive as they have developed the strategic direction of the business. Going forward, we will continue to work closely with them to assist in the implementation of these plans.

I would like to welcome Rob and Adrian to the Board, and I look forward to working with them as we continue to move Jaywing forward. These additions, coupled with the change in role for Andy and the promotion for Michael, have strengthened the senior management of the business.

Our people

On behalf of the Board, I would like to thank all of our colleagues – the 'Jaywingers' – for their continued hard work and contribution to the business. Their skill, enthusiasm and dedication are a credit to the organisation.

Ian Robinson
Chairman

Strategic Report

Business review

Gross profit was up significantly to £30.1m (2014: £21.6m). The underlying business delivered increased operating profits of £4.1m (2014: £2.3m) which was in line with expectations.

The adjusted operating performance line, before interest, tax, depreciation, amortisation, share based payment charges, loss before tax on disposal, exceptional items and acquisition related costs, shows EBITDA of £4.1m (2014: £2.9m continuing and discontinued).

Jaywing plc reported a statutory loss of £1.5m in the year ended 31 March 2015 (2014: £4.8m loss).

The business operates in two divisions: Agency Services and Media & Analysis, the latter comprising the ongoing former Consulting division and Epiphany. The segmental performance of our business in these two practice areas is shown in Note 1 to the Consolidated Financial Statements, together with the comparative performance from the previous year.

At a divisional level, the Media and Analysis segment, which represents 55% of the group total revenue, has performed well with EBITDA growing 100% from £2.3m to £4.6m. The Agency Services segment has fallen slightly as a consequence of the unexpected loss of an outsourced customer management contract, which was taken in-house and our investment in content marketing in the form of two key senior hires.

During the year, the Group benefited from the receipt of £0.1m (2014: £0.3m) from the administrator of a client where a contractual obligation existed. Based on communication from the administrator, the Board believes there will be further distributions but the quantum will reduce.

The table below shows the adjusted operating profit of the Group analysed between the two half years and adjustments made against the reported numbers:

Reported profit before tax	**Full year to 31 March 2015 £'000**	Six months to 31 March 2015 £'000	Six months to 30 September 2014 £'000
	(1,359)	(72)	(1,287)
Interest	**269**	134	135
Amortisation	**3,474**	1,707	1,767
Depreciation	**380**	192	188
Share based payment charge/(credit)	**13**	18	(5)
Acquisition related costs	**1,270**	129	1,141
Exceptional costs	**73**	36	37
Adjusted operating profit	**4,120**	2,144	1,976
Deduct other income	**(57)**	(57)	-
Adjusted operating profit before other income	**4,063**	2,087	1,976

Excluding other income the Group produced £2.1m adjusted operating profit after interest in the six months to 31 March 2015 and £2.0m in the first half.

"At a divisional level, the Media and Analysis segment which represents 55% of the group total revenue has performed well with EBITDA growing 100% from £2.3m to £4.6m."

Michael Sprot
Director

The table below shows the consistent growth in GP and EBITDA over the last five six-monthly periods:

Continuing business EBITDA	Six months to 31 March 2015 £'000	Six months to 30 Sept 2014 £'000	Six months to 31 March 2014 £'000	Six months to 30 Sept 2013 £'000	Six months to 31 March 2013 £'000
Revenue	16,541	17,261	13,489	13,204	13,923
Direct costs	(1,726)	(1,990)	(2,264)	(2,805)	(3,698)
Gross profit	14,815	15,271	11,225	10,399	10,225
Operating expenses excluding depreciation, amortisation, exceptional items, acquisition related costs and (credit)/charges for share based payments	(12,728)	(13,295)	(9,999)	(9,305)	(9,136)
Operating profit before depreciation, amortisation, exceptional items, acquisition related costs and (credit)/charges for share based payments	**2,087**	**1,976**	**1,226**	**1,094**	**1,089**

Liquidity review

The Group's facilities comprise a term loan for £3.2m, a revolving credit facility for £3.5m and a bank overdraft of £2.0m.

The consolidated cash flow statement shows the Group to have generated cash from operating activities of £2.8m (2014: £2.2m) before changes in working capital.

We paid £0.8m in tax (2014: £0.5m). There were repayments of £1.1m of the term loan.

As at 31 March 2015, the Group had net debt of £5.2m (2014: £5.8m).

Impairment

As required by IAS 36, we have conducted an impairment review of the carrying value of our intangible assets and goodwill. We calculate our weighted average cost of capital with reference to long term market costs of debt and equity and the Company's own cost of debt and equity, adjusted for the size of the business and risk premiums. Based on this calculation, a rate of 10.6% (2014: 9.0%) has been derived. This is applied to cash flows for each of the business units using growth rates in perpetuity of 2% from 2019/20.

As a result of these calculations the Board has concluded that the carrying values of intangible assets and goodwill on the Group's balance sheet do not need to be impaired and therefore no charge has been made (2014: £Nil).

Key performance indicators

Over the last 12 months, the key areas of focus have been:

- the integration of Epiphany
- improved resilience
- increased sales
- innovation
- strong cash generation.

Progress against these is described in the Chief Executive's report on page 5.

Principal risks and uncertainties

The principal risks and uncertainties of the Group are outlined on page 14.

Michael Sprot
Director

6 July 2015

Board of Directors and Advisers

Ian Robinson (68)
Chairman

Ian is a Non-Executive Director of Gusbourne Plc, an AIM listed English sparkling-wine business and a non-executive director of TLA Worldwide Plc, an AIM listed athlete representation and sports marketing business. He is Non-Executive Chairman of LT Pub Management Plc, a privately owned pub and leisure asset management business. He is also a Director of a number of other privately owned businesses. Previously he was Chief Financial Officer of Carlisle Group's UK staffing and facilities services operations. He has held other senior financial appointments both in the UK and overseas. He is a Fellow of the Institute of Chartered Accountants in England & Wales, having trained with Peat, Marwick, Mitchell & Co (now KPMG) in London.

Stephen Davidson (59)
Deputy Chairman

Stephen is Chairman of Datatec Ltd (JSE and AIM listed). He is also a Non-Executive Director of Inmarsat plc, Restore plc and Actual Experience plc. Stephen held various positions in Investment Banking, finally at WestLB Panmure where he was Global Head of Media and Telecoms and Vice Chairman of Investment Banking. From 1993 to 1998 Stephen was Finance Director, then CEO of Telewest Communications plc. He was Chairman of the Cable Communications Association from 1996 to 1998. Stephen holds a 1st Class Honours degree in Mathematics and Statistics from the University of Aberdeen.

Martin Boddy (50)
Chief Executive Officer

Martin began his career in banking and was a member of the senior marketing team that launched first direct. He went on to become the Marketing Director of Guardian Royal Exchange Group, aged just 29, before founding Jaywing with Andy Gardner in 1999 (which was then a data analytics consultancy and which is now still a key part of Jaywing plc).

With both client and agency side experience, he is able to offer a unique perspective to the development of Jaywing's business. During his tenure as Chief Executive, Martin has restructured Jaywing significantly, repositioning its heavyweight data science specialism at its heart. He has delivered a 'one company' strategy and spearheaded two strategic acquisitions and a divestment, reshaping the business and providing a platform for growth.

Andy Gardner (52)
Chief Operating Officer

Andy is acknowledged as one of the UK's leading experts in marketing analytics & systems, information management and credit risk. With a degree in Mathematics from Durham University Andy began his career in Operational Research before moving into financial services. He was a member of the first direct senior management team, introducing mathematical and statistical techniques to a range of business problems. He has been both Credit Director and Customer Information Director for Egg where he was also a member of Credit Committee and a contributor to Audit Committee. He has worked for a number of banking clients on technical oversight of capital adequacy monitoring.

Andy co-founded Jaywing with Martin in 1999 and held the role of COO at Jaywing plc from 2012, where he led the development of financial management rigour as well as overseeing operational activity.

Michael Sprot (35)
Finance Director

Michael joined the Company in February 2013 and has been instrumental in the development and adoption of more timely, relevant and accurate management information and the improvement of cash flow and working capital. He manages all regulatory documentation and disclosures and the plc's relationships with professional advisers, including audit, tax, bank, registrars and NOMADs.

Prior to joining Jaywing, he was Head of Commercial Finance at Vasanta Group, a multi-channel distributor of business supplies and services, where he also enjoyed rapid career progression. After gaining his ACA qualification from PricewaterhouseCoopers, Michael also gained experience of central and local government through his work at learndirect and South Yorkshire PTE.

Charles Buddery (62)
Non-Executive Director

Charles embarked upon his agency career in 1981, buying Dig For Fire in 1983. It grew to become the largest and most profitable independently owned direct marketing agency outside London, before it was acquired by Jaywing plc in 2006. Since then Charles has held a number of senior leadership positions across Jaywing plc. He is also a partner in Players House LLP.

Advisers

Auditor
Grant Thornton UK LLP
2 Broadfield Court
Sheffield
S8 0XF

Nominated adviser and broker
Cenkos Securities plc
6.7.8 Tokenhouse Yard
London
EC2R 7AS

Registrars
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Solicitors
Brabners LLP
55 King Street
Manchester
M2 4LQ

Registered office
Players House
300 Attercliffe Common
Sheffield
S9 2AG

Registered number: 05935923
Country of incorporation: England

Principal Risks and Uncertainties

General economic and business conditions

The sector in which the Group operates is sensitive both to general economic and business conditions and has been affected, along with others, by the performance of specific sectors such as financial services, automotive and retail.

People

The operations of the Group are dependent upon the continuing employment of a number of senior management personnel. The future of the Group could depend upon the efforts and expertise of such individuals. The loss of the service of any key management personnel could have a material adverse effect on the business of the Group.

As the Group operates in a specialised sector, it is dependent on its ability to recruit personnel with adequate experience and technical expertise. However, as the supply of such personnel is limited, the Group encounters significant competition for the recruitment of suitably experienced and skilled personnel. The future results of the Group could depend significantly upon the recruitment of such personnel and a failure to do so could have a material adverse effect on the business of the Group.

To mitigate this risk the Group's management team continues to move toward a cohesive culture, driven by its desire to remain a place where people want to work. In addition, Martin Boddy and Andy Gardner retain a significant percentage of their original consideration in shares in Jaywing plc. Furthermore, the key managers in our business participate in the Performance Share Plan share options programme and the Annual Bonus Programme, both of which reward performance and loyalty to the Group (see Directors' Remuneration Report).

Clients

The Group companies have, historically, derived a substantial amount of their revenue from contracts with a limited number of clients and these contracts are generally terminable upon three months' notice by the client. However, the Group has a proven track record of retaining customers. The loss of one or more contracts with the Group's clients, especially one of our largest contracts, or a significant decrease in revenue derived from such contracts, could have an adverse impact on the Group's financial condition and results of operations.
To mitigate this risk clients are given structured account management, with regular senior team input.

Competition

The Group faces competition from other entities operating within the sector.

In particular these entities may have greater resources and may operate in international markets, which could make them attractive to those clients seeking global campaigns or global consolidation of their marketing efforts. Each of the businesses within the Group has, however, been competing successfully against international networks for several years, and has in many cases won international projects from blue-chip multinational brands due to the quality of work and level of service provided.

Suitable acquisitions and access to capital

The Group's plans for continued expansion are based on organic growth and strategic acquisitions. In addition however, the Group has a selective and strategic acquisition policy. The availability of debt or equity finance to fund future acquisitions may be limited or difficult to obtain.

Execution

The ability of the Group to deliver incremental revenues through co-ordinated new business activity is dependent on the availability of key senior personnel to help convert leads and cross-refer business. The new business team has been centralised and the whole business is working together in a collaborative style, under a single operating model and with a joined up relationship management approach.

Products and services

The marketing industry is characterised by rapidly changing technology, evolving industry standards, frequent product and service introductions and evolving web publisher and advertiser demands. These uncertainties are exacerbated by the emerging nature of internet use and advertising. The Group's future success will depend on its ability to modify its products and services to respond in a timely and cost-effective manner to new technologies and changing web publisher and advertiser demands.

If the Group is unable to adapt to these pressures or to develop products and services to address new and converging technologies, it may be unable to compete successfully. The Group intends to continue to develop its own tools and products from within its existing resources to ensure it responds in a timely and cost effective manner to these changes.

Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements for the year ended 31 March 2015.

Principal activity

The principal activity of the Company, and Group, during the year under review is that of digital marketing services.

Results and dividend

The Group's loss before taxation for the year ended 31 March 2015 was £1.4 million (2014: £0.2 million). The Directors do not propose to pay a dividend.

Future developments

The future developments of the Group are referred to in the Chief Executive's Report on page 3 and the Strategic Report on page 7.

Going concern

The Directors have reviewed the forecasts for the years ending 31 March 2016 and 31 March 2017, which have been adjusted to take account of the current trading environment. The Directors consider the forecasts to be prudent and have assessed the impact of them on the Group's cash flow, facilities and headroom within its banking covenants. Furthermore, the Directors have assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities. Based on this work, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Political donations

No political donations were made during the year (2014: £Nil).

Directors' interests

The present membership of the Board, together with biographies on each, is set out on pages 12 and 13. All those Directors served throughout the year or from appointment. The Directors' interests in shares in the Company are set out in the Directors' remuneration report on page 19.

Directors' third party indemnity provisions

The Group maintains appropriate insurance to cover Directors' and Officers' liability. The Group provides an indemnity in respect of all the Group's Directors. Neither the insurance nor the indemnity provides cover where the Director has acted fraudulently or dishonestly.

Employees

The Group is an Equal Opportunities Employer and no job applicant or employee receives less favourable treatment on the grounds of age, sex, marital status, sexual orientation, race, colour, religion or belief.

It is the policy of the Group that individuals with disabilities, whether registered or not, should receive full and fair consideration for all job vacancies for which they are suitable applicants. Employees who become disabled during their working life will be retained in employment wherever possible and will be given help with any necessary rehabilitation and retraining.

Employees of the Group and its subsidiaries are regularly consulted by local managers and kept informed of matters affecting them and the overall development of the Group.

The Group is committed to maintaining high standards of health and safety for its employees, customers, visitors, contractors and anyone affected by its business activities. Health and safety is on the agenda for all regularly scheduled Board meetings.

Financial instruments

Details of the financial risk management objectives and policies of the Group, including hedging policies, are given in note 32 to the consolidated financial statements.

Share capital

Details of the Company's share capital including rights and obligations attaching to each class of share are set out in note 20 of the consolidated financial statements.

There are no restrictions on the transfer of ordinary shares in the capital of the Company other than customary restrictions contained within the Company's Articles of Association and certain restrictions which may be required from time to time by law, for example, insider trading law. In accordance with the Model Code which forms part of the Listing Rules of the Financial Services Authority certain Directors and employees are required to seek the prior approval of the Company to deal in its shares.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights. The Company's Articles of Association contain limited restrictions on the exercise of voting rights.

The Company's Articles of Association may only be amended by special resolution at a general meeting of shareholders. The Company is not aware of any significant agreements to which it is party that take effect, alter or terminate upon a change of control of the Company following a takeover.

Major interests in shares

As at 1 July 2015 the Company had been notified, in accordance with chapter 5 of the Disclosure and Transparency Rules, of the following voting rights as shareholder of the Company:

	Number of voting rights	**2015 %**	2014 %
Henderson Global Investors	19,217,823	**25.2**	23.1
Lord Michael Ashcroft	18,871,712	**24.7**	24.2
J & K Riddell	5,372,638	**7.0**	7.2
A Gardner	4,987,470	**6.5**	6.7
M Boddy	4,916,667	**6.4**	6.6
C Buddery	3,906,615	**5.1**	5.2
H & J Spinks	3,508,772	**4.6**	4.7

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take account of the interests of the Group's stakeholders, including its investors, employees, suppliers and business partners when operating the business.

Annual General Meeting

Your attention is drawn to the Notice of Meeting enclosed with this Annual Report, which sets out the resolutions to be proposed at the forthcoming Annual General Meeting.

Auditor

Each of the Directors at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The auditor, Grant Thornton UK LLP, has indicated its willingness to remain in office, and a resolution that it be re-appointed will be proposed at the Annual General Meeting.

By Order of the Board

Michael Sprot
Director

6 July 2015

Directors' Remuneration Report

This report is prepared voluntarily by the Board. We do not comply with the UK Corporate Governance Code ("the Code"). However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the Code we consider to be relevant to the Group and best practice.

The Remuneration Committee

During the year the Remuneration Committee comprised:

Charles Buddery (Chairman)
Stephen Davidson
Andrew Wilson (appointment terminated by death 15 May 2014)
Ian Robinson (appointed 21 May 2014)

The Code recommends that a remuneration committee should be composed of entirely independent non-executive directors. Messrs Davidson (ex-Chairman of the Board), Buddery and Robinson (who is affiliated with a major shareholder) are not regarded as independent under the Code. The Board does consider them to act independently with respect to remuneration issues.

The Committee met five times during the year. All meetings were attended by all serving members of the Committee.

The Committee seeks input from the Company Secretary. The Committee makes reference to external evidence of pay and employment conditions in other companies and is free to seek advice from external advisers.

Remuneration policy

The Group's policy on remuneration for the current year and, so far as is practicable, for subsequent years is set out below. However, the Remuneration Committee believes that it should retain the flexibility to adjust the remuneration policy in accordance with the changing needs of the business. Any changes in policy in subsequent years will be detailed in future reports on remuneration. The Group must ensure that its remuneration arrangements attract and retain people of the right calibre in order to ensure corporate success and to enhance shareholder value. Its overall approach is to attract, develop, motivate and retain talented people at all levels, by paying competitive salaries and benefits to all its staff and encouraging its staff to hold shares in the Company. Pay levels are set to take account of contribution and individual performance, wage levels elsewhere in the Group and with reference to relevant market information. The Group seeks to reward its employees fairly and give them the opportunity to increase their earnings by linking pay to achieving business and individual performance targets. The Board believes that share ownership is an effective way of strengthening employees' involvement in the development of the business and bringing together their interests and those of shareholders. Executive Directors are rewarded on the basis of individual responsibility, competence and contribution and salary increases also take into account pay awards made elsewhere in the Group as well as external market benchmarking.

During the year to 31 March 2015 there were three Executive Directors on the Board:

Martin Boddy (Chief Executive)
Andy Gardner (Chief Operating Officer)
Michael Sprot (Finance Director)

The Executive Directors participate in a pension scheme but do not participate in any healthcare arrangements.

Performance-related elements form a part of the total remuneration packages and are designed to align Directors' interests with those of shareholders. In line with best practice and to bring Directors' and shareholders' interests further into line, Executive Directors and the management team are encouraged to maintain a holding of ordinary shares in the Company.

Non-Executive Directors' fees

Fees for Non-Executive Directors are determined by the Board annually, taking advice as appropriate and reflecting the time commitment and responsibilities of the role. The Chairman receives an annual fee of £40,000, and the Deputy Chairman £35,000. Non-Executive Directors' fees currently comprise a basic fee of £25,000 per annum.

Non-Executive Directors do not participate in the annual bonus plan, pension scheme or healthcare arrangements. They were issued awards as described below under the Performance Share Plan (PSP), which have now vested or lapsed and will no longer participate in the PSP scheme. The Company reimburses the reasonable expenses they incur in carrying out their duties as Directors.

Remuneration components – Executive Directors

A proportion of each Executive Director's remuneration is performance-related. The main components of the remuneration package for Executive Directors are:

i. Basic salary

ii. Annual bonus plan

iii. Share options

Basic salary
Basic salary is set by the Remuneration Committee by taking into account the responsibilities, individual performance and experience of the Executive Directors, as well as the market practice for executives in a similar position. Basic salary is reviewed (but not necessarily increased) annually by the Remuneration Committee.

Annual bonus plan
The Executive Directors are eligible to participate in the annual bonus plan. The range of award is based on annual salary.

The performance requirements, for the ability to earn a bonus, are set by the Committee annually and are quantitative related measures based on stretching profit before tax targets.

Share options
The Committee believes that the award of share options aligns the interests of participants and shareholders. Awards are made to the Executive Directors with demanding performance criteria.

Directors' remuneration

The total amounts of the remuneration of the Directors of the Company for the years ended 31 March 2015 and 2014 are shown below:

31 March	2015 £	2014 £
Aggregate emoluments	**464,521**	365,000
Sums paid to third parties for Directors' services	**34,553**	40,000
	499,074	405,000

The emoluments of the Directors are shown below:

31 March	2015 Fees and salary £	2015 Benefits in kind £	2015 Bonus £	**2015 Total £**	2014 Total £	**2015 Gain on exercise of share options £**	2014 Gain on exercise of share options £	**2015 Pension contri-butions £**	2014 Pension contri-butions £
Martin Boddy	161,530	-	20,000	**181,530**	150,000	**-**	-	**39,999**	41,340
Andy Gardner	164,312	-	20,000	**184,312**	165,000	**-**	-	**37,467**	24,270
Charles Buddery	25,000	-	-	**25,000**	25,000	**-**	-	**-**	-
Stephen Davidson	30,346	-	-	**30,346**	25,000	**513,158**	-	**-**	-
Ian Robinson#~	29,608	-	-	**29,608**	-	**-**	-	**-**	-
Michael Sprot	83,333	-	10,000	**93,333**	-	**-**	-	**3,333**	-
Andrew Wilson~+	4,945	-	-	**4,945**	40,000	**-**	-	**1,667**	10,000
Total	**499,074**	-	**50,000**	**549,074**	405,000	**513,158**	-	**82,466**	75,610

resigned 31 July 2012, re-appointed 21 May 2014
~ paid to a third party for the Director's services
+ appointment terminated by death 15 May 2014

Directors' service agreements and letters of appointment

Contracts of service are negotiated on an individual basis as part of the overall remuneration package. The contracts of service are not for a fixed period. Details of these service contracts are set out below:

	Date of contract	Notice period	Company with whom contracted
Martin Boddy	1 March 2012	3 months	Jaywing plc
Andy Gardner	6 April 2012	3 months	Jaywing plc
Michael Sprot	20 December 2012	3 months	Jaywing plc

In the event of termination of their contracts, each director is entitled to compensation equal to their basic salary and bonus for their notice period.

Non-Executive Directors have letters of appointment, the details of which are as follows:

	Date of contract	Notice period	Company with whom contracted
Stephen Davidson	1 March 2012	3 months	Jaywing plc
Anne Street Partners Limited*	2 October 2006	3 months	Jaywing plc
Charles Buddery	1 March 2012	3 months	Jaywing plc
Ian Robinson	21 May 2014	3 months	Jaywing plc

* For the provision of services supplied by Ian Robinson (resigned 31 July 2012, re-appointed 21 May 2014) and Andrew Wilson (appointment terminated by death 15 May 2014).

Directors' interests in shares

The Directors' interests in the share capital of the Company are set out below:

31 March	**2015 Number of shares**	2014 Number of shares
Andy Gardner	**4,987,470**	4,987,470
Martin Boddy	**4,916,667**	4,916,667
Charles Buddery	**3,906,615**	3,906,615
Stephen Davidson	**1,650,453**	789,342
Ian Robinson (resigned 31 July 2012, re-appointed 21 May 2014)	**370,267**	314,711
Andrew Wilson (appointment terminated by death 15 May 2014)	**146,145**	146,145
Michael Sprot	**18,519**	-

The table below sets out options granted under the PSP scheme:

	At 31 March 2015	At 31 March 2014	Exercise price	Normal date from which exercisable	Expiry date
Martin Boddy	526,000	-	5p	1-Aug-2016	30-Sep-2020
Andy Gardner	526,000	-	5p	1-Aug-2016	30-Sep-2020
Michael Sprot	299,000	-	5p	1-Aug-2016	30-Sep-2020
Stephen Davidson	-	1,754,386	Nil	25-Jan-2011	25-Jan-2015

Pensions

The Group operates a stakeholder pension scheme for staff. Martin Boddy, Andy Gardner, Michael Sprot and Andrew Wilson each received a contribution to a pension scheme.

Non-Executive directorships

The Company allows its Executive Directors to take a limited number of outside directorships. Individuals retain the payments received from such services since these appointments are not expected to impinge on their principal employment.

Other related party transactions

No Director of the Group, except for Charles Buddery, has, or had, a disclosable interest in any contract of significance subsisting during or at the end of the year.

Disclosable transactions by the Company under IAS 24, Related Party Disclosures, are set out in note 29. There have been no other disclosable transactions by the Company and its subsidiaries with Directors of the Company or any of the subsidiary companies and with substantial shareholders since the publication of the last Annual Report.

Share price performance

The share price performance from 26 October 2006, the date of the initial public offering, is shown in the following table:

By Order of the Board

Charles Buddery
Chairman, Remuneration Committee

6 July 2015

Corporate Governance

This report is prepared voluntarily by the Board and describes how the principles of corporate governance are applied.

The Board

The Board currently comprises the Chairman Stephen Davidson, Chief Executive Officer Martin Boddy, Chief Operating Officer Andy Gardner, Finance Director Michael Sprot and two Non-Executive Directors Charles Buddery and Ian Robinson. Short biographical details of each of the Directors are set out on page 12 and 13. The Board is responsible to the shareholders for the proper management of the Group and meets at least five times a year to set the overall direction and strategy of the Group. All strategic operational and investment decisions are subject to Board approval.

The roles of Chief Executive Officer and Chairman are separate and there is a clear division of their responsibilities. All Directors are subject to re-election at least every three years.

Board committees

Remuneration Committee

The Remuneration Committee comprises Charles Buddery (Chair), Stephen Davidson and Ian Robinson. The Remuneration Committee, on behalf of the Board, meets as and when necessary to review and approve as appropriate the contract terms, remuneration and other benefits of the Executive Directors and senior management and major remuneration plans for the Group as a whole.

The Code recommends that a remuneration committee should be composed of entirely independent Non-Executive directors. Messrs Davidson (ex-Chairman of the Board), Buddery and Robinson (who is affiliated with a major shareholder) are not regarded as independent under the Code. The Board does consider them to act independently with respect to remuneration issues.

The Remuneration Committee approves the setting of objectives for all of the Executive Directors and authorises their annual bonus payments for achievement of objectives.

The Remuneration Committee approves remuneration packages sufficient to attract, retain and motivate Executive Directors required to run the Group successfully, but does not pay more than is necessary for this service.

The Remuneration Committee is empowered to recommend the grant of share options under the existing share option plan and to make awards under the long-term incentive plans. The Remuneration Committee considers there to be an appropriate balance between fixed and variable remuneration and between short-term and long-term variable components of remuneration. All the decisions of the Remuneration Committee on remuneration matters in the year ended 31 March 2015 were reported to and endorsed by the Board.

Further details of the Group's policies on remuneration and service contracts are given in the Directors' Remuneration report on pages 19 to 23.

Audit Committee

The Audit Committee comprises Stephen Davidson (Chair), Charles Buddery and Ian Robinson. By invitation, the meetings of the Audit Committee may be attended by the other Directors and the auditor. The Committee meets not less than twice annually. The Audit Committee oversees the monitoring of the adequacy and effectiveness of the Group's internal controls, accounting policies and financial reporting and provides a forum for reporting by the Group's external auditor. Its duties include keeping under review the scope and results of the audit and its cost effectiveness, consideration of management's response to any major audit recommendations and the independence and objectivity of the auditor.

Nomination Committee

The Nomination Committee comprises a majority of Non-Executive Directors. It did not meet during the year. It is responsible for nominating to the Board candidates for appointment as Directors, having regard for the balance and structure of the Board. The terms of reference for all committees are available on the Group's website.

Company Secretary

The Company Secretary is responsible for advising the Board through the Chairman on all governance issues. All Directors have access to the advice and services of the Secretary.

Attendance at Board and Committee meetings

The Directors attended the following Board and Committee meetings during the year ended 31 March 2015.

	Board	Remuneration	Audit	Nomination
Total meetings held	7	5	3	-
Stephen Davidson	7	5	3	-
Andy Gardner	7	-	3	-
Michael Sprot	7	-	3	-
Martin Boddy	7	-	-	-
Charles Buddery	7	5	3	-
Ian Robinson (appointed 21 May 2014)	6	5	3	-
Andrew Wilson (appointment terminated by death 15 May 2014)	-	-	-	-

Board performance and evaluation

In addition to the re-election of Directors every three years, the Board has a process for evaluation of its own performance and that of its committees and individual Directors, including the Chairman.

Relationships with shareholders

The Board recognises the importance of effective communication with the Company's shareholders to ensure that its strategy and performance is understood and that it remains accountable to shareholders. The Company communicates with investors through Interim Statements, audited Annual Reports, press releases and the Company's website investors.jaywing.com. Shareholders are welcome at the Company's AGM (notice of which is provided with this Report) where they will have an opportunity to meet the Board. The Company obtains feedback from its broker on the views of institutional investors on a non-attributed and attributed basis and any concerns of major shareholders would be communicated to the Board.

Internal controls

The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and will continue to ensure that management keeps these processes under regular review and improves them where appropriate.

Management structure

There is a clearly defined organisational structure throughout the Group with established lines of reporting and delegation of authority based on job responsibilities and experience.

Financial reporting

Monthly management accounts provide relevant, reliable, up-to-date financial and non-financial information to management and the Board. Annual plans, forecasts and performance targets allow management to monitor the key business and financial activities and the progress towards achieving the financial objectives. The annual budget is approved by the Board.

Monitoring of controls

It is intended that the Audit Committee receives regular reports from the auditor and assures itself that the internal control environment of the Group is operating effectively. There are formal policies and procedures in place to ensure the integrity and accuracy of the accounting records and to safeguard the Group's assets. Significant capital projects and acquisitions and disposals require Board approval.

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take into account the interests of the Group's stakeholders, including its investors, employees, suppliers and business partners when operating the business.

Employment

At a subsidiary level, each individual company has established policies which address key corporate objectives in the management of employee relations, communication and employee involvement, training and personal development and equal opportunity. The Board recognises its legal responsibility to ensure the wellbeing, safety and welfare of its employees and to maintain a safe and healthy working environment for them and for its visitors. Health and Safety is on the agenda for regularly scheduled plc Board and Operations Board meetings.

Environment

By their nature the Group's regular operations are judged to have a low environmental impact and are not expected to give rise to any significant inherent environmental risks over the next 12 months.

By Order of the Board

Michael Sprot
6 July 2015

Directors' Responsibilities Statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and have elected to prepare the parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 and profit or loss of the Company and Group for that period.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, and disclosure with reasonable accuracy at any time the financial position of 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 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 Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

Michael Sprot
6 July 2015

Report of the Independent Auditor to the Members of Jaywing plc

We have audited the financial statements of Jaywing plc for the year ended 31 March 2015 which comprise the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity, the principal accounting policies, and the related notes to the financial statements, the company profit and loss account, the company balance sheet and the notes to the company financial statements. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 27, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 statements

In our opinion:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic 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.

Paul Houghton
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP, Statutory Auditor, Chartered Accountants, Sheffield

6 July 2015

Financial statements

Consolidated Financial Statements

Consolidated statement of comprehensive income

For the year ended 31 March **Continuing operations**	Note	2015 £'000	2014 £'000
Revenue	1	**33,789**	26,693
Direct costs		**(3,703)**	(5,069)
Gross profit		**30,086**	21,624
Other operating income	2	**57**	312
Operating expenses	3	**(31,233)**	(22,264)
Operating loss		**(1,090)**	(328)
Finance income	4	**3**	-
Finance costs	5	**(272)**	(52)
Net financing costs		**(269)**	(52)
Loss before tax		**(1,359)**	(380)
Tax credit/(expense)	6	**(119)**	182
Loss for the year from continuing operations		**(1,478)**	(198)
Loss for the year from discontinued operations		**-**	(4,597)
Other comprehensive income			
Exchange differences on retranslation of foreign operations	25	**21**	-
Loss for the year attributable to equity holders of the parent	26	**(1,457)**	(4,795)
Total comprehensive income for the period attributable to equity holders of the parent		**(1,457)**	(4,795)
Loss per share	7		
Basic loss per share			
- Loss from continuing operations		**(1.91p)**	(0.27p)
- Loss from discontinued operations		**-**	(6.17p)
		(1.91p)	(6.44p)
Diluted loss per share			
- Loss from continuing operations		**(1.75p)**	(0.26p)
- Loss from discontinued operations		**-**	(6.03p)
		(1.75p)	(6.29p)

The accompanying notes form part of these consolidated financial statements.

Consolidated balance sheet

As at 31 March	Note	2015 £'000	2014 £'000	2013 £'000
Non-current assets				
Property, plant and equipment	12	**685**	638	713
Goodwill	13	**30,446**	30,442	29,753
Other intangible assets	14	**8,065**	11,539	8,984
		39,196	42,619	39,450
Current assets				
Trade and other receivables	15	**7,530**	8,691	10,851
Cash and cash equivalents		**1,000**	1,994	1
		8,530	10,685	10,852
Total assets		**47,726**	53,304	50,302
Current liabilities				
Bank overdraft	16	**-**	-	816
Other interest-bearing loans and borrowings	16	**4,062**	4,612	1,500
Trade and other payables	17	**7,157**	8,886	6,731
Current tax liabilities		**355**	492	742
Provisions	18	**158**	131	-
		11,732	14,121	9,789
Non-current liabilities				
Other interest-bearing loans and borrowings	16	**2,126**	3,188	-
Deferred tax liabilities	19	**1,667**	2,337	2,060
		3,793	5,525	2,060
Total liabilities		**15,525**	19,646	11,849
Net assets		**32,201**	33,658	38,453
Equity attributable to owners of the parent				
Share capital	20	**34,139**	34,051	34,051
Share premium	21	**6,608**	6,608	6,608
Capital redemption reserve	23	**125**	125	125
Shares purchased for treasury	22	**(25)**	(25)	(25)
Share option reserve	24	**-**	88	137
Foreign currency translation reserve	25	**21**	-	-
Retained earnings	26	**(8,667)**	(7,189)	(2,443)
Total equity		**32,201**	33,658	38,453

These financial statements were approved by the Board of Directors on 6 July 2015 and were signed on its behalf by:

Michael Sprot
Director
Company number: 05935923

The accompanying notes form part of these consolidated financial statements.

Consolidated cash flow statement

For the year ended 31 March	Note	2015 £'000	2014 £'000
Cash flow from operating activities			
Loss after tax		**(1,478)**	(4,795)
Adjustments for:			
Depreciation and amortisation		**3,854**	2,063
Loss on disposal		**-**	5,442
Movement in provision		**27**	131
Foreign exchange		**21**	
Financial income		**(3)**	-
Financial expenses		**272**	52
Share-based payment expense	11	**-**	36
Taxation charge/(credit)		**119**	(694)
Operating cash flow before changes in working capital		**2,812**	2,235
Decrease in trade and other receivables		**1,034**	366
(Decrease)/increase in trade and other payables		**(327)**	2,237
Cash generated from operations		**3,519**	4,838
Interest received		**3**	-
Interest paid		**(267)**	(41)
Tax paid		**(801)**	(509)
Net cash flow from operating activities		**2,454**	4,288
Cash flow from investing activities			
Proceeds from sale of assets		**-**	3,288
Payment of deferred consideration		**(1,405)**	-
Acquisition of subsidiary Epiphany Solutions net of cash acquired		**(4)**	(10,543)
Acquisition of property, plant and equipment	12	**(427)**	(392)
Net cash outflow from investing activities		**(1,836)**	(7,647)
Cash flows from financing activities			
Increase in borrowings		**-**	7,800
Repayment of borrowings		**(1,612)**	(1,632)
Net cash (outflow)/inflow from financing activities		**(1,612)**	6,168
Net (decrease)/increase in cash and cash equivalents		**(994)**	2,809
Cash and cash equivalents at beginning of year		**1,994**	(815)
Cash and cash equivalents at end of year		**1,000**	1,994
Cash and cash equivalents comprise:			
Cash at bank and in hand		**1,000**	1,994
Bank overdrafts	16	**-**	-
Cash and cash equivalents at end of year		**1,000**	1,994

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of changes in equity

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Treasury shares £'000	Share option reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total attributed to the owners of the parent £'000
At 1 April 2013	34,051	6,608	125	(25)	137	-	(2,443)	38,453
Transfer from share option reserve	-	-	-	-	(49)	-	49	-
Transactions with owners	-	-	-	-	(49)	-	49	-
Loss for the year	-	-	-	-	-	-	(4,795)	(4,795)
Total comprehensive income for the year	-	-	-	-	-	-	(4,795)	(4,795)
At 31 March 2014	34,051	6,608	125	(25)	88	-	(7,189)	33,658
Transfer from share option reserve	88	-	-	-	(88)	-	-	-
Transactions with owners	88	-	-	-	(88)	-	-	-
Loss for the year	-	-	-	-	-	-	(1,478)	(1,478)
Retranslation of foreign currency	-	-	-	-	-	21	-	21
Total comprehensive income for the year	-	-	-	-	-	21	(1,478)	(1,457)
At 31 March 2015	**34,139**	**6,608**	**125**	**(25)**	**-**	**21**	**(8,667)**	**32,201**

The accompanying notes form part of these consolidated financial statements.

Principal accounting policies

Jaywing plc is a Company incorporated in the UK and is AIM listed.

The consolidated financial statements consolidate those of Jaywing plc and its subsidiaries (together referred to as the 'Group').

The consolidated financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU (Adopted IFRSs). The consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments that are held at fair value.

The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year.

Changes in accounting policies

New and revised standards that are effective for annual periods beginning on or after 1 January 2014
A number of new and revised standards are effective for annual periods beginning on or after 1 January 2014. Information on these new standards is presented below. There has been no material impact as a result of these changes.

IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28
IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IFRS 12 'Disclosure of Interests in Other Entities', IAS 27 (Revised) 'Separate Financial Statements' and IAS 28 (Revised) 'Investments in Associates and Joint Ventures' form a comprehensive package dealing with group issues and off-balance sheet activity.

IFRS 10 introduces the following revised definition of control together with accompanying guidance on how to apply it. "An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In order to determine whether a reporting entity has control over another entity in which it has invested, the following three elements must always be present:

a) power over the investee

b) exposure, or rights, to variable returns from its involvement with the investee

c) the ability to use its power over the investee to affect the amount of the investor's returns.

IFRS 11 replaces IAS 31's three categories of 'jointly controlled entities', 'jointly controlled operations' and 'jointly controlled assets' with two new categories – 'joint operations' and 'joint ventures'.

- a joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (ie joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement.
- a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (ie joint venturers) have rights to the net assets of the arrangement.

IFRS 12 establishes disclosure objectives according to which an entity discloses:

- significant judgements and assumptions (and changes) made by the reporting entity in determining whether it controls another entity
- the interest that the non-controlling interests have in the group's activities
- the effect of restrictions on the reporting entity's ability to access and use assets or settle liabilities of consolidated entities
- the nature of, and changes in, the risks associated with the reporting entity's interests in consolidated structured entities, joint arrangements, associates and unconsolidated structured entities.

The changes made to IAS 27 (Revised) 'Separate Financial Statements' and IAS 28 (Revised) 'Investments in Associates and Joint Ventures' are consequential changes arising from the publication of the new IFRSs. The main change is that IAS 27 (Revised) will now solely address separate financial statements, the requirements for which are substantially unchanged from the previous version of the Standard. The requirements on how to apply equity accounting are unchanged from the previous version of the Standard.

The application of IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 applies prospectively for annual periods on or after 1 January 2014 and did not have a material impact on the financial statements.

Dilapidations provision
This represents a change in accounting policy from prior periods where estimated dilapidation costs were included within accruals and expensed in the profit and loss account. The impact of this change in accounting policy is not considered to be material in the current or prior periods and so no prior year adjustment has been processed.

Provision is made for expected future dilapidations costs to property under operating leases. The estimated costs are capitalised within leasehold improvements and depreciated over the remaining lease term.

Judgements made by the Directors in the application of these accounting policies that have a significant effect on the consolidated financial statements together with estimates with a significant risk of material adjustment in the next year are discussed in note 31 to the consolidated financial statements.

Going concern
The Directors have reviewed the forecasts for the years ending 31 March 2016 and 31 March 2017 which have been adjusted to take account of the current trading environment. The Directors consider the forecasts to be prudent and have assessed the impact of them on the Group's cash flow, facilities and headroom within its banking covenants. Furthermore, the Directors have assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities. Based on this work, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation
Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Transactions between subsidiary companies are eliminated on consolidation.

Revenue
Revenue for all business activities other than media planning and buying is recognised when performance criteria have been met in accordance with the terms of the contracts. Revenue is recognised on long-term contracts if their final outcome can be assessed with reasonable certainty, by including in profit or loss revenue and related costs as contract activity progresses. For contracts where the final outcome cannot be assessed with reasonable certainly, revenue is recognised to the extent of expenses recognised that are recoverable.

Media planning and buying
Revenue comprises gross billings to customers relating to media placements and fees for advertising services. Revenue may consist of various arrangements involving commissions, fees, incentive-based revenue or a combination of the three, as agreed upon with each client.

Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement. Incentive-based revenue typically comprises both quantitative and qualitative elements; on the element related to quantitative targets, revenue is recognised when the quantitative targets have been achieved; on elements related to qualitative targets, revenue is recognised when the incentive is receivable.

Revenue is recognised in accordance with the stage of completion of contractual obligations to the customer. The stage of completion is ascertained by assessing the fair value of the services provided to the balance sheet date as a proportion of the total fair value of the contract. Losses on contracts are recognised in the period in which the loss first becomes foreseeable.

Foreign currency

Transactions in foreign currencies are translated into the entity's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Classification of instruments issued by the Group

Instruments issued by the Group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company (or Group); and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the items are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of finance expenses. Finance payments associated with financial instruments that are classified in equity are dividends and are recorded directly in equity.

Property, plant and equipment

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

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Freehold buildings	- 40 years
Leasehold improvements	- over period of lease
Motor vehicles	- 4 years
Office equipment	- 3 - 5 years

It has been assumed that all assets will be used until the end of their economic life.

Intangible assets and goodwill

All business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately or which arise from legal or contractual rights regardless of whether those rights are separable, and are initially recognised at fair value. Development costs incurred in the year which meet the criteria of IAS 38 are capitalised and amortised on a straight line basis over their economic life.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use.

The estimated useful lives are as follows:

Customer relationships	- 8 to 12 years
Development costs	- 3 to 4 years
Trademarks	- 20 years
Order books	- 1 year

Impairment
For goodwill that has an indefinite useful life, the recoverable amount is estimated annually. For other assets, the recoverable amount is only estimated when there is an indication that an impairment may have occurred. The recoverable amount is the higher of fair value less costs to sell and value in use.

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

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Inventories
Work in progress is valued on the basis of direct costs plus attributable overheads based on normal levels of activity on a first in first out basis. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Employee benefits

Defined contribution plans
Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss as incurred.

Share-based payment transactions
The fair value at the date of grant of share based remuneration is calculated using a Black-Scholes model and charged to profit or loss over the vesting period of the award. The charge to profit or loss takes account of the estimated number of shares that will vest. All share based remuneration is equity settled. Provision is made for National Insurance when the Group is committed to settle this liability. The charge to profit or loss takes account of the options expected to vest, is deemed to arise over the vesting period and is discounted.

Provisions
A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Expenses

Operating lease payments
Operating leases are leases in which substantially all the risks and rewards of ownership related to the asset are not transferred to the Group.

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

Net financing costs
Net financing costs comprise interest payable and interest receivable on funds invested. Interest income and interest payable are recognised in profit or loss as they accrue using the effective interest method.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or in equity, respectively.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except to the extent that it arises on:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination;
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Financial assets

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank borrowings that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Trade and other receivables
Trade and other receivables are initially recorded at fair value and thereafter are measured at amortised cost using the effective interest rate. A provision for impairment is made where there is objective evidence (including customers with financial difficulties or in default on payments) that amounts will not be recovered in accordance with the original terms of the agreement. A provision for impairment is established when the carrying value of the receivable exceeds the present value of the future cash flow discounted using the original effective interest rate. The carrying value of the receivable is reduced through the use of an allowance account and any impairment loss is recognised in profit or loss.

Financial derivatives
The Group uses derivative financial instruments to hedge its exposure to risks arising from operational, financing and investment activities. In accordance with treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. To qualify for cash flow hedge accounting, the hedging relationship must meet several strict conditions with respect to documentation, probability of occurrence, hedge effectiveness and reliability of measurement. To the extent that the hedge is effective, the gain or loss on re-measurement to fair value is reflected in other comprehensive income within the hedging reserve. At the time the hedged item affects the profit or loss, any gain previously recognised in equity is reclassified from equity to profit or loss. If the hedging becomes ineffective, any related gain or loss recognised in equity is immediately transferred to profit or loss. Any ineffectiveness in the hedge relationship is charged immediately to profit or loss.

Financial liabilities

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

Trade and other payables
Trade payables are initially recorded at fair value and thereafter at amortised cost using the effective interest rate method.

Segmental reporting
The Group reports its business activities in two areas: Agency Services and Media & Analysis, its two primary business activities.

The Group derives its revenue from the provision of digital marketing services.

Standards and interpretations in issue at 31 March 2015 but not yet effective

The following standards and interpretations of relevance to the Group have been issued but are not yet effective and have not been adopted by the Group:

- IAS 27 (revised) Separate Financial Statements (effective 1 January 2016)
- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2017)
- IFRS 9 Financial Instruments (effective 1 January 2018)

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

These standards and interpretations are not expected to have any significant impact on the Group's financial statements.

Other standards and interpretations in issue but not yet effective are not considered to have any relevance to the Group.

Share capital
Share capital represents the nominal value of shares that have been issued.

Share premium
Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Capital redemption reserve
Capital redemption reserve represents the amount by which the nominal value of the shares purchased or redeemed is greater than proceeds of a fresh issue of shares.

Shares purchased for treasury
Represents the nominal value of the shares purchased by the Company.

Share option reserve
Represents the nominal value of £nil cost share options outstanding.

Foreign currency translation reserve
Represents the exchange differences on retranslation of foreign operations.

Retained earnings
Retained earnings includes all current and prior period retained profits and share-based employee remuneration.

Notes to the consolidated financial statements

1. Segmental analysis

The Group reports its business activities in two areas: Agency Services and Media & Analysis, its two primary business activities. Unallocated represents the Group's head office function, along with intragroup transactions.

The Group primarily derives its revenue from the provision of digital marketing services in the UK. Approximately £250k of sales were made to clients in Australia. During the year no customer included within either sector accounted for greater than 10% of the Group's revenue. During the prior year one customer included within the Media & Analysis segment accounted for greater than 10% of the Group's revenue. This customer accounted for £4,524,000 of Group revenue.

For the year ended 31 March 2015	**Agency Services £'000**	**Media & Analysis £'000**	**Unallocated £'000**	**Total £'000**
Revenue	15,491	18,708	(410)	33,789
Direct costs	(1,932)	(2,185)	414	(3,703)
Gross profit	13,559	16,523	4	30,086
Operating expenses excluding depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share based payments	(11,465)	(11,943)	(2,615)	(26,023)
Operating profit before depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share based payments	**2,094**	**4,580**	**(2,611)**	**4,063**
Other operating income	-	-	57	57
Depreciation	(264)	(108)	(8)	(380)
Amortisation	(916)	(2,558)	-	(3,474)
Compensation for loss of office	(63)	-	(10)	(73)
Acquisition related costs	(211)	(1,059)	-	(1,270)
Charges for share based payments	-	-	(13)	(13)
Operating profit / (loss)	640	855	(2,585)	(1,090)
Finance income				3
Finance costs				(272)
Loss before tax				(1,359)
Tax expense				(119)
Loss for the period				(1,478)

For the year ended 31 March 2014	Agency Services £'000	Media & Analysis £'000	Unallocated £'000	Continuing Group £'000	Disposal Group £'000	Total £'000
Revenue	17,917	9,875	(1,099)	**26,693**	7,382	34,075
Direct costs	(3,543)	(2,684)	1,158	**(5,069)**	(1,439)	(6,508)
Gross profit	14,374	7,191	59	**21,624**	5,943	27,567
Operating expenses excluding depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share based payments	(11,749)	(4,878)	(2,677)	**(19,304)**	(5,375)	(24,679)
Operating profit before depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share based payments	**2,625**	**2,313**	**(2,618)**	**2,320**	**568**	**2,888**
Other operating income	281	31	-	**312**	-	312
Depreciation	(232)	(41)	(6)	**(279)**	(48)	(327)
Amortisation	(924)	(625)	-	**(1,549)**	(187)	(1,736)
Loss before tax on disposal	-	-	-	**-**	(5,442)	(5,442)
Compensation for loss of office	(66)	-	(116)	**(182)**	-	(182)
Release of provisions	73	-	125	**198**	-	198
Acquisition related costs	(270)	(441)	(401)	**(1,112)**	-	(1,112)
Charges for share based payments	-	-	(36)	**(36)**	-	(36)
Operating profit / (loss)	1,487	1,237	(3,052)	**(328)**	(5,109)	(5,437)
Finance income				**-**	-	-
Finance costs				**(52)**	-	(52)
Loss before tax				**(380)**	(5,109)	(5,489)
Tax expense				**182**	512	694
Loss for the period before loss on measurement to fair value				**(198)**	(4,597)	(4,795)

Year ended 31 March 2015	Agency Services £'000	Media & Analysis £'000	Unallocated £'000	Total £'000
Assets	**24,518**	**26,170**	**(2,962)**	**47,726**
Liabilities	**(3,361)**	**(3,915)**	**(8,249)**	**(15,525)**
Capital employed	**21,157**	**22,255**	**(11,211)**	**32,201**

Year ended 31 March 2014	Agency Services £'000	Media & Analysis £'000	Unallocated £'000	Total £'000
Assets	27,078	28,035	(1,809)	53,304
Liabilities	(4,426)	(4,431)	(10,789)	(19,646)
Capital employed	22,652	23,604	(12,598)	33,658

Unallocated assets and liabilities consist predominantly of cash, external borrowings and deferred tax liabilities on intangible assets which have not been allocated to the business segments. All of the Group's assets are based in the UK.

Capital additions; Property, plant and equipment	Agency Services £'000	Media & Analysis £'000	Unallocated £'000	Discontinued £'000	Total £'000
Year ended 31 March 2015	**269**	**142**	**16**	**-**	**427**
Year ended 31 March 2014	360	6	5	21	392

2. Other operating income

	2015 £'000	2014 £'000
Other operating income	**57**	312

During the years to 31 March 2014 and 31 March 2015 the Group received part settlement from the administrator of a client for a contractual obligation to perform services on their behalf. During the year we received a further distribution of £57,000. It is anticipated there may be further distributions in the future but the Board is unaware of the quantum or timing of these potential receipts.

3. Other operating expenses

Continuing operations:	2015 £'000	2014 £'000
Wages and salaries	**22,016**	15,960
Share based payments	**13**	36
Amortisation	**3,474**	1,549
Administration	**5,657**	4,735
	31,160	22,280
Release of provisions	**-**	(198)
Compensation for loss of office	**73**	182
	73	(16)
	31,233	22,264

Wages and salaries include £211,000 (2014: £270,000) of post-acquisition employment costs relating to the purchase of Iris Associates Limited, and £1,059,000 (2014: £441,000) of post-acquisition employment costs relating to the purchase of Epiphany Solutions Limited.

4. Finance income

	2015 £'000	2014 £'000
Interest income	**3**	-

5. Finance costs

	2015 £'000	2014 £'000
Interest expense	**272**	52

6. Tax expense

	2015 £'000	2014 £'000
Recognised in the consolidated statement of comprehensive income:		
Current year tax	**765**	433
Origination and reversal of temporary differences	**(646)**	(1,127)
Total tax charge / (credit)	**119**	(694)
Reconciliation of total tax charge:		
Loss before tax	**(1,359)**	(5,489)
Taxation using the UK Corporation Tax rate of 21% (2014: 23%)	**(285)**	(1,262)
Effects of:		
Non deductible expenses	**403**	883
Share based payment charges	**-**	-
Capital allowances in excess of depreciation	**-**	-
Other	**(27)**	(27)
Prior year adjustment	**28**	(288)
Total tax charge / (credit)	**119**	(694)

7. Loss per share

	2015 Pence per Share	2014 Pence per Share
Basic	**(1.91p)**	(6.44p)
Diluted	**(1.75p)**	(6.29p)

Loss per share has been calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

The calculations of basic and diluted loss per share are:

	2015 £'000	2014 £'000
Loss for the year attributable to shareholders	**(1,457)**	(4,795)

Weighted average number of ordinary shares in issue:

	2015 Number	2014 Number
Basic	**76,259,763**	74,505,377
Adjustment for share options	**6,771,000**	1,754,386
Diluted	**83,030,763**	76,259,763

Adjusted earnings per share

	2015 Pence per Share	2014 Pence per Share
From continuing and discontinued operations:		
Basic adjusted earnings per share	**3.45p**	3.23p
Diluted adjusted earnings per share	**3.17p**	3.15p

Adjusted earnings per share have been calculated by dividing the profit attributable to shareholders before amortisation, charges for share options and loss on disposal before tax in relation to the sale of Tryzens during the year by the weighted average number of ordinary shares in issue during the year. The numbers used in calculating the basic and diluted adjusted earnings per share are reconciled below:

	2015 £'000	2014 £'000
Loss before tax	**(1,359)**	(5,489)
Amortisation	**3,474**	1,736
Loss before tax on disposal	**-**	5,442
Acquisition related costs	**1,270**	1,112
Charges for share based payments	**13**	36
Adjusted profit attributable to shareholders	**3,398**	2,837
Current year tax charge	**(765)**	(433)
	2,633	2,404

8. Expenses and auditor's remuneration

	2015 £'000	2014 £'000
The following are included in profit before tax:		
Depreciation of property, plant and equipment	**380**	327
Amortisation of other intangible assets	**3,474**	1,736
Loss on disposal before tax	**-**	5,442
Adjustment to contingent consideration	**-**	(125)
Compensation for loss of office	**73**	182
Employee emoluments	**22,029**	15,996
Auditor's remuneration:		
Audit of the financial statements	**27**	26
Other amounts payable to the auditor and its associates in respect of:		
Audits of financial statements of subsidiaries pursuant to legislation	**63**	68
Fees for taxation services	**21**	16
Other services pursuant to legislation	**40**	77

Amounts paid to the Group's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed separately as the information is required instead to be disclosed on a consolidated basis.

9. Key management personnel compensation

Key management of the Group is considered to be the Board of Directors and the Operations Board.

	2015 £'000	2014 £'000
Short term benefits:		
Salaries including bonuses	**1,485**	822
Social security costs	**193**	107
Total short term benefits	**1,678**	929
Long term benefits:		
Post-employment benefits:		
Defined contribution pension plan	**59**	28
Total remuneration	**1,737**	957

Further information in respect of Directors is given in the Directors' Remuneration table on page 21.

10. Staff numbers and costs

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

Continuing operations:	**2015 Number**	2014 Number
Management and administration	**85**	56
Call centre operatives	**236**	230
Account management and production	**214**	108
Information strategists	**47**	39
	582	433

The aggregate payroll costs of these persons were as follows:

	2015 £'000	2014 £'000
Wages and salaries	**19,624**	14,297
Social security costs	**1,865**	1,386
Other pension costs	**527**	277
Share option charges – PSP Options (see note 11)	**-**	-
Share option charges – Employers NI (see note 11)	**13**	36
	22,029	15,996

11. Employee benefits

The Company grants share options under the Jaywing plc Performance Share Plan, more details of which are given in the Directors' Remuneration Report.

Details of the share options granted during and outstanding at the end of the year are as follows:

	2015 Number of share options	**2015 Weighted average exercise price**	2014 Number of share options	2014 Weighted average exercise price
At start of the year	**1,754,386**	**Nil**	2,910,810	2.0p
Issued during the year	**6,771,000**	**5.0p**	-	
Exercised during the year	**(1,754,386)**	**Nil**		
Lapsed during the year	**-**	**-**	(1,156,424)	0.1p
At end of the year	**6,771,000**	**5.0p**	1,754,386	Nil
Exercisable at end of year	**Nil**	**-**	1,754,386	Nil

Share options outstanding at the end of the year have an exercise price of 5 pence. Awards of share options are made on an individual basis with particular performance criteria relevant to the participant. Options are usually granted for a maximum of five years. In one case, in previous years, this has been extended by three years.

Share options outstanding at the year-end were as follows:

As at 31 March 2015		**Period of exercise**	
Number	**Exercise price**	**From**	**To**
6,771,000	5.0p	01/08/2016	30/09/2020

As at 31 March 2014		**Period of exercise**	
Number	**Exercise price**	**From**	**To**
1,754,386	Nil	31/03/2010	26/01/2015

On 4 March 2015, share options were granted to employees in order to incentivise performance. These share options will vest based upon conditions which relate to either EBITDA performance in the period commencing 1 April 2015, or the share price at various future dates.

Management have assessed the charge arising during the period and due to the date of grant being less than 1 month from the year end do not believe this to be material to the financial statements.

12. Property, plant and equipment

	Leasehold improvements £'000	Motor vehicles £'000	Office equipment £'000	Total £'000
Cost				
At 1 April 2013	446	12	2,760	3,218
Additions	249	-	143	392
Acquisition of subsidiaries	249	-	141	390
Disposals	(277)	-	(1,648)	(1,925)
At 31 March 2014	667	12	1,396	2,075
Additions	115	-	312	427
Disposals	-	-	(331)	(331)
At 31 March 2015	**782**	**12**	**1,377**	**2,171**
Depreciation				
At 1 April 2013	218	7	2,280	2,505
Depreciation charge for the year	104	1	222	327
Acquisition of subsidiaries	133	-	93	226
Depreciation on disposals	(123)	-	(1,498)	(1,621)
At 31 March 2014	332	8	1,097	1,437
Depreciation charge for the year	184	1	195	380
Depreciation on disposals	-	-	(331)	(331)
At 31 March 2015	**516**	**9**	**961**	**1,486**
Net book value				
At 31 March 2015	**266**	**3**	**416**	**685**
At 31 March 2014	335	4	299	638
At 1 April 2013	228	5	480	713

The assets are covered by a fixed charge in favour of the Group's lenders.

13. Goodwill

	Goodwill £'000
Cost and net book value	
At 1 April 2014	30,442
Acquisition of Epiphany Solutions	4
At 31 March 2015	**30,446**

Goodwill is attributed to the following cash generating units:

	2015 £'000	2014 £'000	2013 £'000
Agency Services			
Digital Media & Analytics Limited	438	438	438
Scope Creative Marketing Limited	5,550	5,550	5,550
Jaywing Central Limited	5,817	5,817	5,817
HSM Limited	3,201	3,201	3,201
Gasbox Limited	273	273	273
Media & Analysis			
Tryzens Limited	-	-	5,132
Epiphany Solutions Limited	5,825	5,821	-
Alphanumeric Limited	9,342	9,342	9,342
	30,446	30,442	29,753

Goodwill and other intangible assets have been tested for impairment by assessing the value in use of the relevant cash generating units. The value in use calculations were based on projected cash flows in perpetuity. Budgeted cash flows for 2015/16 to 2018/19 were used. These were based on a one year budget with growth rates of 5% to 10% applied for the following three years. Subsequent years were based on a reduced rate of growth of 2% into perpetuity.

The average year on year growth in earnings before interest, tax, depreciation and amortisation (EBITDA) which has been used as the basis for forecasting cash flows for each of the cash generating units when testing for impairment were:

	Year on year growth
2015/16	**5.0% - 10%**
2016/17	**5.0% - 10%**
2017/18	**2.5% - 10%**
Perpetuity	**2.0%**

These growth rates are based on past experience and market conditions and discount rates are consistent with external information. The growth rates shown are the average applied to the cash flows of the individual cash generating units and do not form a basis for estimating the consolidated profits of the Group in the future.

The discount rate used to test the cash generating units was the Group's pre-tax Weighted Average Cost of Capital ("WACC") of 10.6% (2014:9.0%). The individual cash generating units were assessed for risk variances from the WACC, but in the absence of geographical risk, currency risk and any significant price risk variations, the same WACC was used for all the cash generating units.

As a result of these tests no impairment was considered necessary (2014: £Nil million).

The Directors have performed a sensitivity analysis in relation to the WACC used, which showed that an impairment would be required for WACCs of 14% and above. At a discount rate of 14% a charge of £52,000 would be required.

The Directors have also performed a sensitivity analysis in relation to the year on year growth in EBITDA. If the growth rates were to be reduced by 1% in each CGU no impairment charge would be required.

14. Other intangible assets

	Customer relationships £'000	Order books £'000	Trademarks £'000	Development costs £'000	Total £'000
Cost					
At 1 April 2013	21,621	-	-	152	21,773
Additions during the year	4,277	1,457	1,025	110	6,869
Disposal	(4,550)	-	-	(27)	(4,577)
At 31 March 2014	21,348	1,457	1,025	235	24,065
Additions during the year	-	-	-	-	-
Disposal	-	-	-	-	-
At 31 March 2015	**21,348**	**1,457**	**1,025**	**235**	**24,065**
Amortisation					
At 1 April 2013	12,667	-	-	122	12,789
Amortisation charge for the year	1,659	61	2	14	1,736
Disposals	(1,990)	-	-	(9)	(1,999)
At 31 March 2014	12,336	61	2	127	12,526
Amortisation charge for the year	1,991	1,396	51	36	3,474
Disposals	-	-	-	-	-
At 31 March 2015	**14,327**	**1,457**	**53**	**163**	**16,000**
Net book amount					
At 31 March 2015	**7,021**	**-**	**972**	**72**	**8,065**
At 1 April 2014	9,012	1,396	1,023	108	11,539
At 1 April 2013	8,954	-	-	30	8,984

The cost of brought forward customer relationships was determined as at the date of acquisition of the subsidiaries by professional valuers. The valuations used the discounted cash flow method, assuming rates of customer attrition at 10% and sales growth at 2% each year. The discount rate applied at that time to the future cash flows were specific to each subsidiary and were all in the range 14.6% to 15.5%.

The cost of customer relationships, trademarks and order books acquired in the prior year were determined as at the date of acquisition by professional valuers. For customer relationships the valuations used the discounted cash flow method, assuming a customer attrition rate of 20% and sales growth at 2% each year. The discount rate applied at that time to the future cash flows was 19%.

Trademarks represent the trading names used by the company. These are estimated to have an economic life of 20 years. The valuation used the discounted cash flow method, assuming an estimated royalty rate of 2% and sales growth of 2% each year. The valuation assumes that each year 80% to 90% of revenues are generated using the Trademark and applied a discount rate of 19%.

The order book represents contracted revenues over the next 12 months. The valuation used the discounted cash flow method, assuming a net operating profit margin of 30.5%. The discount rate applied was 15.8%.

Goodwill and other intangible assets have been tested for impairment. The method, key assumptions and results of the impairment review are detailed in note 13. On the basis of this review, it has been concluded that there is no need to impair the carrying value of these intangible assets (2014: £Nil).

15. Trade and other receivables

	2015 £'000	2014 £'000	2013 £'000
Trade receivables	**6,016**	6,606	8,669
Prepayments and accrued income	**872**	1,320	1,773
Deferred tax	**133**	157	171
Other receivables	**509**	608	238
	7,530	8,691	10,851

The carrying amount of trade and other receivables approximates to their fair value.

Trade and other receivables comprising financial assets are classified as loans and receivables.

All trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired so a provision of £191,000 (2014: £171,000; 2013: £146,000) has been recorded accordingly. Trade and other receivables which are not impaired or past due are considered by the Group to be of good credit quality.

The movement in the allowance for estimated irrecoverable amounts can be reconciled as follows:

	2015 £'000	2014 £'000
Balance at start of the year	**171**	146
Amounts written off (uncollectible)	**(25)**	(5)
Impairment loss reversed	**(14)**	(22)
Impairment loss	**59**	52
Balance at end of the year	**191**	171

In addition some of the unimpaired trade receivables are past due as at the reporting date. The age of financial assets past due but not impaired is as follows:

	2015 £'000	2014 £'000	2013 £'000
Not more than three months	**2,238**	1,003	233
More than three months but not more than six months	**165**	98	672
More than six months but not more than one year	**24**	(16)	-
More than one year	**4**	4	11
	2,431	1,089	916

16. Bank and overdraft, loans and borrowings

	2015 £'000	2014 £'000	2013 £'000
Summary			
Bank overdraft	**-**	-	816
Borrowings	**6,188**	7,800	1,500
	6,188	7,800	2,316
Borrowings are repayable as follows:			
Within one year			
Bank overdraft	**-**	-	816
Borrowings	**4,062**	4,612	1,500
Total due within one year	**4,062**	4,612	2,316
In more than one year but less than two years	**1,063**	1,062	-
In more than two years but less than three years	**1,063**	1,063	-
In more than three years but less than four years	**-**	1,063	-
Total amount due	**6,188**	7,800	2,316

Average interest rates at the balance sheet date were:	**%**	%	%
Overdraft	**2.75**	2.75	3.35
Term loan	**3.56**	3.25	-
Revolver loan	**3.51**	3.25	3.35

As the loans are at variable market rates their carrying amount is equivalent to their fair value.

The borrowing facilities available to the Group at 31 March 2015 was £2.0 million (2014: £2.0 million) and, taking into account cash balances within the Group companies, there was £3.6 million (2014: £4.0 million) of available borrowing facilities.

A Composite Accounting System is set up with the Group's bankers, which allows debit balances on overdraft to be offset across the Group with credit balances.

Reconciliation of net debt

	1 April 2014 £'000	Cash flow £'000	31 March 2015 £'000
Cash and cash equivalents	1,994	(994)	**1,000**
	1,994	(994)	**1,000**
Borrowings	(7,800)	1,612	**(6,188)**
Net debt	(5,806)	618	**(5,188)**

17. Trade and other payables

	2015 £'000	2014 £'000	2013 £'000
Trade payables	**1,337**	1,196	1,317
Tax and social security	**1,483**	2,129	1,943
Other payables, accruals and deferred income	**4,337**	5,561	3,471
	7,157	8,886	6,731

The carrying amount of trade and other payables approximates to their fair values. All amounts are short term.

18. Provisions

	2015 £'000	2014 £'000	2013 £'000
At start of the year	**131**	-	116
Additional provisions	**27**	131	-
Utilised during the year	**-**	-	(105)
Unused amounts reversed during the year	**-**	-	(11)
At end of the year	**158**	131	-
Total provisions are analysed as follows:			
Current	**158**	131	-
	158	131	-

At 31 March 2015 a provision of £158,000 was recognised for dilapidations costs expected to be incurred on exit of properties. The provision has been estimated based on the costs already incurred to bring the property to its current condition. The estimated costs have not been discounted as the impact is not considered to be significant. There are no significant uncertainties about the amount or timing.

19. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities:

	2015 £'000	2014 £'000	2013 £'000
Accelerated capital allowances on property, plant and equipment:			
At start of year	**(64)**	(149)	(108)
Prior year adjustment	**27**	6	29
Origination and reversal of temporary differences	**(7)**	79	(70)
At end of year	**(44)**	(64)	(149)
Other temporary differences:			
At start of year	**2,244**	2,038	2,260
Adjustment in relation to prior year classification	**-**	(31)	(5)
Prior year adjustment	**-**	(184)	(94)
Origination and reversal of temporary differences	**(666)**	421	(123)
At end of year	**1,578**	2,244	2,038
Total deferred tax:			
At start of year	**2,180**	1,889	2,152
Adjustment in relation to prior year classification	**-**	(31)	(5)
Prior year adjustment	**27**	(178)	(65)
Origination and reversal of temporary differences (note 6)	**(673)**	500	(193)
At end of year	**1,534**	2,180	1,889
Deferred tax is included within:			
Deferred tax liability	**1,667**	2,337	2,060
Deferred tax asset	**(133)**	(157)	(171)
	1,534	2,180	1,889

The majority of the other temporary differences relates to the liability arising on the valuation of intangible assets on acquisition.

There are no deductible differences or losses carried forward for which no deferred tax asset is recognised. There are no temporary differences associated with investments in subsidiaries for which deferred tax liabilities have not been recognised.

20. Share capital

Authorised	45p deferred shares £'000	5p ordinary shares £'000
Authorised share capital at 31 March 2014 and at 31 March 2015	**45,000**	**10,000**

Allotted, issued and fully paid:	45p deferred shares Number	5p ordinary shares Number	£'000
At 31 March 2014	67,378,520	74,604,999	34,051
Shares allotted on exercise of options	-	1,754,386	88
At 31 March 2015	**67,378,520**	**76,359,385**	**34,139**

The 5 pence ordinary shares have the same rights (including voting and dividend rights and rights on a return of capital) as the previous 50 pence ordinary shares. Holders of the 45 pence deferred shares do not have any right to receive notice of any general meeting of the Company or any right to attend, speak or vote at any such meeting. The deferred share holders are not entitled to receive any dividend or other distribution and shall, on a return of assets in a winding up of the Company, entitle the holders only to the repayment of the amounts paid up on the shares, after the amount paid to the holders of the new ordinary shares exceeds £1,000,000 per new ordinary share. The deferred shares will also be incapable of transfer and no share certificates will be issued in respect of them.

21. Share premium

	2015 £'000	2014 £'000
At start and end of year	**6,608**	6,608

22. Treasury shares

	2015 £'000	2014 £'000
At the start and end of the year (99,622 shares)	**(25)**	(25)

23. Capital redemption reserve

	2015 £'000	2014 £'000
At start and end of year	**125**	125

24. Share option reserve

	2015 £'000	2014 £'000
At start of year	**88**	137
Transfer to share capital on allotment of share options	**(88)**	-
Release to retained earnings	**-**	(49)
At end of year	**-**	88

The Board of Directors approved the original transfer of reserves from retained earnings to a designated share option reserve.

25. Foreign currency translation reserve

	2015 £'000	2014 £'000
At start of year	**-**	-
Exchange differences on translation of foreign operations	**21**	-
At end of year	**21**	-

The Board of Directors approved the original transfer of reserves from retained earnings to a designated share option reserve

26. Retained earnings

	2015 £'000	2014 £'000
At start of year	**(7,189)**	(2,443)
Retained loss for the year	**(1,478)**	(4,795)
Release from share option reserve	**-**	49
At end of year	**(8,667)**	(7,189)

27. Operating leases

The Group's future minimum operating lease payments are as follows:

	Within 1 year £'000	1 to 5 years £'000	After 5 years £'000	Total £'000
31 March 2015	**545**	**723**	**-**	**1,268**
31 March 2014	538	1,302	-	1,840
31 March 2013	653	1,801	-	2,454

The Company leases a number of office premises under operating leases. During the year £532,000 (2014: £428,000) was recognised as an expense in the Statement of comprehensive income in respect of operating leases.

28. Capital commitments

The Group had no commitments to purchase property, plant and equipment at 31 March 2015 (2014: £Nil).

29. Contingent liabilities

As disclosed in note 15, currently £500,000 is held in Escrow in relation to the disposal of Tryzens Limited in September 2013 as deferred consideration due to the Company. In March 2015 the Company received notification of a claim from the acquirer and, although the Board believes this is entirely without merit and will be vigorously defended, the existence of this claim is noted and the release of the amount held in Escrow will be delayed pending resolution of the matter.

30. Related parties

Ian Robinson, Chairman (resigned 31 July 2012, re-appointed 21 May 2014), is also a director of Anne Street Partners Limited. The services of Ian Robinson as Chairman of the Company were purchased from Anne Street Partners Limited for a fee of £30,000 (2014: £Nil). The services of Andrew Wilson as Chairman of the Company (appointment terminated by death 15 May 2014) were also purchased from Anne Street Partners Limited for a fee of £5,000 (2014: £40,000). At the year end £12,000 (2014: £Nil) was outstanding to Anne Street Partners Limited.

Charles Buddery is a partner in Players House LLP which owns the building occupied by Scope Creative Marketing Limited. During the year Scope Creative Marketing Limited paid rent of £90,000 (2014: £90,000), owing £Nil (2014: £Nil) at the year end.

At 31 March 2015, £Nil (2014: £138,000) and £Nil (2014: £138,000) was owed to Tron Enterprises Limited and Shazam Limited respectively. Tron Enterprises Limited is considered to be a related party as Mr S W Quigley, Mr R Skidmore and Mr R Shaw are directors of both Epiphany Solutions Limited and Tron Enterprises Limited. Shazam Limited is considered to be a related party as Mr R Skidmore is a director of both Epiphany Solutions Limited and Shazam Limited.

During the period, the company made sales of £2,000 (2014: £Nil) to Run For All Limited, a company in which Mr R Shaw is a Non-Executive director. At 31 March 2015 the balance receivable from Run For All Limited was £Nil (2014: £6,000).

At 31 March 2015 the balance payable to Mr R Shaw was £Nil (2014: £19,000).

During the year, the Group made sales of £Nil to T Shirt Store Limited, a company in which Mr R Skidmore was a Non-Executive director. At 31 March 2015 the balance receivable from T Shirt Store Limited was £Nil (2014: £19,000).

31. Accounting estimates and judgements

Accounting estimates

Impairment of goodwill and other intangible assets
The carrying amount of goodwill is £30,446,000 (2014: £30,442,000) and the carrying amount of other intangible assets is £8,065,000 (2014: £11,539,000). The Directors are confident that the carrying amount of goodwill and other intangible assets is fairly stated, and have carried out an impairment review. The forecast cash generation for each CGU and the WACC represent significant assumptions and should the assumptions prove to be incorrect there would be a significant risk of a material adjustment within the next financial year. The sensitivity to the key assumptions is shown in note 13.

Share based payment
The share based payment charge consists of two elements, the charge for the fair value at the date of grant and a charge for the employer's NI.

On 4 March 2015, share options were granted to employees in order to incentivise performance. These share options will vest based upon conditions which relate to either EBITDA performance in the period commencing 1 April 2015, or the share price at various future dates. Management have assessed the charge arising during the period and due to the date of grant being less than 1 month from the year end do not believe this to be material to the financial statements.

Accounting judgements

Recognition of revenue as principal or agent
The Directors consider that they act as a principal in transactions where the Group assumes the credit risk. Where this is via an agency arrangement and the Group assumes the credit risk for all billings it therefore recognises gross billings as revenue.

32. Financial risk management

The Group uses various financial instruments. These include loans, cash, issued equity investments and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The main risks arising from the Group's financial instruments are market risk, cash flow interest rate risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and price risk. In this instance price risk has been ignored as it is not considered a material risk to the business. The Group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Currency risk

The Group is only minimally exposed to translation and transaction foreign exchange risk.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by closely managing the cash balance and by investing cash assets safely and profitably.

The Group policy throughout the period has been to ensure continuity of funding. Short-term flexibility is achieved by overdraft facilities.

The maturity of borrowings is set out in note 16 to the consolidated financial statements.

Interest rate risk
The Group finances its operations through a mixture of retained profits and bank borrowings. The Directors' policy to manage interest rate fluctuations is to regularly review the costs of capital and the risks associated with each class of capital, and to maintain an appropriate mix between fixed and floating rate borrowings.

The interest rate exposure of the financial assets and liabilities of the Group is shown in the table below. The table includes trade receivables and payables as these do not attract interest and are therefore subject to fair value interest rate risk.

	2015 £'000	2014 £'000	2013 £'000
Financial assets:			
Floating interest rate:			
Cash	**1,000**	1,994	1
Zero interest rate:			
Trade receivables	**6,016**	6,606	8,669
	7,016	8,600	8,670
Financial liabilities:			
Floating interest rate:			
Overdrafts	**-**	-	816
Bank loans	**6,188**	7,800	1,500
Zero interest rate:			
Trade payables	**1,337**	1,196	1,317
	7,525	8,996	3,633

The bank loans contractual maturity is summarised below:	**2015 £'000**	2014 £'000	2013 £'000
Total due within one year	**1,158**	1,195	-
In more than one year but less than two years	**1,122**	1,158	-
In more than two years but less than three years	**1,085**	1,122	-
In more than three years but less than four years	**-**	1,085	-
Total amount due	**3,365**	4,560	-

The above contractual maturities reflect the estimated gross cash flows, which differ from the carrying value at the balance sheet date.

Sensitivity to interest rate fluctuations
If the average interest rate payable on the net financial asset/net financial liabilities subject to a floating interest rate during the year had been 1% higher than reported on the average borrowings during the year, then profit before tax would have been £60,746 lower, and if the interest rate on these liabilities had been 1% lower, profit before tax would have improved by £60,746.

Credit risk
The Group's principal financial assets are cash and trade receivables. The credit risk associated with cash is limited, as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from the Group's trade receivables. In order to manage credit risk the Directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

The Directors consider that the Group's trade receivables were impaired for the year ended 31 March 2015 and a provision for £191,000 (2014: £171,000) has been provided accordingly. See note 15 for further information on financial assets that are past due.

Summary of financial assets and liabilities by category

The carrying amount of financial assets and liabilities recognised at the balance sheet date of the reporting periods under review may also be categorised as follows:

	2015 £'000	2014 £'000	2013 £'000
Financial assets			
Loans and receivables			
Trade and other receivables	**6,525**	7,214	8,907
Cash and cash equivalents	**1,000**	1,994	1
	7,525	9,208	8,908
Financial liabilities:			
Non current:			
Financial derivatives - hedging instrument carried at fair value	**-**	-	-
Current:			
Financial liabilities measured at amortised cost			
Borrowings	**(6,188)**	(7,800)	(2,316)
Trade and other payables	**(7,157)**	(8,886)	(6,731)
Provisions for liabilities	**(158)**	(131)	-
	(13,503)	(16,817)	(9,047)
Net financial assets and liabilities	**(5,978)**	(7,609)	(139)
Plant, property and equipment	**685**	638	713
Goodwill	**30,446**	30,442	29,753
Other intangible assets	**8,065**	11,539	8,984
Prepayments	**872**	1,320	1,773
Deferred tax	**133**	157	171
Taxation payable	**(355)**	(492)	(742)
Provisions for deferred tax	**(1,667)**	(2,337)	(2,060)
	38,179	41,267	38,592
Total equity	**32,201**	33,658	38,453

Capital management policies and procedures

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

This is achieved through close management of working capital and regular reviews of pricing. Decisions on whether to raise funding using debt or equity are made by the board based on the requirements of the business.

Capital for the reporting period under review is summarised as follows:

	2015 £'000	2014 £'000	2013 £'000
Total equity	**32,201**	33,658	38,453

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Company profit and loss account

	Note	2015 £'000	2014 £'000
Turnover	1	**4**	60
Administrative expenses	2	**(2,653)**	(2,323)
Operating loss	3	**(2,649)**	(2,263)
Income from fixed asset investment		**4,840**	4,952
Loss on sale of fixed asset investment		**-**	(5,662)
Interest receivable and similar income	4	**3**	-
Interest payable and similar charges	5	**(272)**	(52)
Profit/(Loss) on ordinary activities before taxation		**1,922**	(3,025)
Taxation on ordinary activities	6	**52**	86
Profit/(Loss) on ordinary activities after taxation	21	**1,974**	(2,939)

All of the activities of the parent Company are classed as continuing.

The Company has no recognised gains or losses for the year other than the profit for the year as set out above.

The accompanying notes to the parent Company financial statements form an integral part of these financial statements.

Company balance sheet

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	10	**20**	12
Investments	11	**57,731**	57,727
		57,751	57,739
Current assets			
Debtors	12	**3,282**	2,849
		3,282	2,849
Current liabilities			
Creditors: amounts falling due within one year	13	**(15,262)**	(14,229)
Total assets less current liabilities		**45,771**	46,359
Non current liabilities			
Creditors: amounts falling due after more than one year	14	**(6,626)**	(9,188)
Net assets		**39,145**	37,171
Capital and reserves			
Called up share capital	16	**34,139**	34,051
Share premium account	17	**6,608**	6,608
Share option reserve	18	**-**	88
Treasury shares	19	**(25)**	(25)
Capital redemption reserve	20	**125**	125
Profit and loss account	21	**(1,702)**	(3,676)
Equity shareholders' funds	22	**39,145**	37,171

These financial statements were approved by the Board of Directors on 6 July 2015 and were signed on its behalf by:

Michael Sprot
Director

The accompanying notes to the parent Company financial statements form an integral part of these financial statements.

Notes to the parent company financial statements

1. Accounting policies

Basis of preparation
These financial statements have been prepared in accordance with applicable United Kingdom accounting standards and have been prepared under the historical cost convention.

The principal accounting policies of the Company are set out below. The policies remain unchanged from the previous year.

Turnover
The turnover shown in the profit and loss account represents amounts in relation to work undertaken in the year. Turnover is the revenue arising from the sale of services. It is stated at the fair value of the consideration receivable, net of value added taxes, rebates and discounts.

Revenue from services provided by the Company is recognised when the Company has performed its obligations and in exchange obtained the right to consideration.

Fixed assets and depreciation
All fixed assets are initially recorded at cost.

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

Fixtures & fittings 3-5 years straight line.

Investments
Investments are included at cost, less amounts written off.

Classification of instruments issued by the Company
Instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of finance expenses. Finance payments associated with financial instruments that are classified in equity are dividends and are recorded directly in equity.

Share based payment
The fair value at the date of grant of share based remuneration has been calculated using a Black-Scholes model and charged to the profit and loss account over the vesting period of the award. The charge to the profit and loss account, in respect of the Company's employees, takes account of the estimated number of shares that will vest. All share based remuneration is equity settled. Provision is made for National Insurance when the Company is committed to settle this liability. The charge to the profit and loss account takes account of the options expected to vest, is deemed to arise over the vesting period and is discounted.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

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

2. Other operating charges

	2015 £'000	2014 £'000
Share based payment charge	**17**	-
Related National Insurance (credit)/charge	**(4)**	36
Write off of contingent consideration	**-**	(125)
Administrative expenses	**2,640**	2,412
Total administrative expenses	**2,653**	2,323

3. Operating loss

	2015 £'000	2014 £'000
Operating loss is stated after charging:		
Depreciation of owned fixed assets	**8**	6

4. Interest receivable and similar income

	2015 £'000	2014 £'000
Interest receivable and similar income	**3**	-

5. Interest payable and similar charges

	2015 £'000	2014 £'000
Bank interest payable	**272**	52

6. Tax on ordinary activities

The tax credit represents:	2015 £'000	2014 £'000
UK corporation tax at 21% (2014: 23%)	**(637)**	(559)
Adjustment in respect of prior period	**559**	497
Total current tax	**(78)**	(62)
Deferred tax:		
Origination and reversal of timing differences	**26**	(6)
Adjustment in respect of rate differences	**-**	1
Prior year adjustment	**-**	(19)
	(52)	(86)

The tax credit can be explained as follows:	2015 £'000	2014 £'000
Profit/(loss) before tax	**1,922**	(3,025)
Tax using the UK corporation tax rate of 21% (2014: 23%)	**404**	(696)
Effect of:		
Expenses not deductible for tax	**-**	1,299
Non-taxable income	**(1,015)**	(1,139)
Capital allowances for the period in excess of depreciation	**-**	1
Other	**(26)**	(23)
Prior year adjustment	**559**	496
Current year credit	**(78)**	(62)

7. Auditor's remuneration

Details of remuneration paid to the auditor by the Company are shown in note 8 to the consolidated financial statements.

8. Directors and employees

	2015 £'000	2014 £'000
Average number of staff employed by the Company	**30**	29
Aggregate emoluments (including those of Directors):		
Wages and salaries	**1,503**	1,374
Social security costs	**167**	158
Pension contribution	**116**	100
Redundancy payments	**10**	115
Total emoluments	**1,796**	1,747

Further information in respect of Directors is given in the Directors' Remuneration table on page 21.

9. Dividends

The Directors do not recommend the payment of a dividend for the current year (2014: £Nil).

10. Tangible fixed assets

	Fixtures & fittings £'000
Cost at 1 April 2014	38
Additions	16
Disposals	-
Cost at 31 March 2015	**54**
Depreciation at 1 April 2014	26
Charge for the year	8
Depreciation at 31 March 2015	**34**
Net book value at 31 March 2015	**20**
Net book value at 31 March 2014	12

11. Fixed asset investments

	Subsidiaries £'000
Cost at 1 April 2014	57,727
Additions	4
Disposals	-
Cost as at 31 March 2015	**57,731**

The Company has carried out an impairment review of the carrying amount of the investments in subsidiaries. The impairment review of investments was performed using the same cash flows and assumptions as were used in the Group's financial statements for the impairment review of goodwill, details of which can be found in note 13 in the Group's financial statements. This review has concluded that the carrying value of the Company's investments is impaired by £Nil (2014: £Nil).

At 31 March 2015 the Company held either directly or indirectly, 20% or more of the allotted share capital of the following companies:

		Proportion held		
	Class of share capital held	By parent Company	By the Group	Nature of Business
Alphanumeric Group Holdings Limited	Ordinary	100%	100%	Dormant
Alphanumeric Holdings Limited	Ordinary	-	100%	Dormant
Alphanumeric Limited	Ordinary	100%	100%	Data services & consultancy
Dig for Fire Limited	Ordinary	-	100%	Dormant
Digital Marketing Group Limited	Ordinary	100%	100%	Dormant
Digital Marketing Group Services Limited	Ordinary	100%	100%	Dormant
Digital Marketing Network Limited	Ordinary	100%	100%	Dormant
Digital Media and Analytics Limited	Ordinary	100%	100%	Dormant
DMG Central Limited	Ordinary	-	100%	Dormant
DMG London Limited	Ordinary	100%	100%	Online marketing & media
Epiphany Solutions Limited	Ordinary	100%	100%	Search Engine Optimisation
Epiphany Solutions PTY Limited	Ordinary	100%	100%	Search Engine Optimisation
Gasbox Limited	Ordinary	100%	100%	Direct marketing
Graphico New Media Limited	Ordinary	100%	100%	Dormant
HSM Limited	Ordinary	100%	100%	Online marketing & media, direct marketing
Hyperlaunch New Media Limited	Ordinary	100%	100%	Dormant
Inbox Media Limited	Ordinary	-	100%	Dormant
Iris Associates Limited	Ordinary	-	100%	Direct Marketing
ISIS Direct Limited	Ordinary	-	100%	Dormant
Jaywing Central Limited	Ordinary	100%	100%	Online marketing & media
Jaywing Information Limited	Ordinary	100%	100%	Dormant
Jaywing North Limited	Ordinary	100%	100%	Dormant
Junction Brand Communication Limited	Ordinary	-	100%	Dormant
Prodant Limited	Ordinary	-	100%	Dormant
Scope Creative Marketing Limited	Ordinary	100%	100%	Direct marketing
Shackleton PR Limited	Ordinary	100%	100%	Online PR
Woken Limited	Ordinary	-	100%	Dormant

All the companies listed above have been consolidated.

All the companies listed above are incorporated in England and Wales with the following exceptions:

Company	**Country of Incorporation**
Epiphany Solutions PTY Limited	Australia

12. Debtors

	2015 £'000	2014 £'000
Amounts due from Group undertakings	**1,643**	1,544
Prepayments and accrued income	**113**	121
Other taxation and social security	**330**	94
Corporation tax	**691**	559
Deferred tax	**5**	31
Deferred consideration due	**500**	500
	3,282	2,849

The deferred consideration due is from the dispoal of Tryzens.

13. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Bank loans and overdrafts (note 15)	**7,663**	7,085
Trade creditors	**179**	133
Amounts owed to Group undertakings	**5,611**	5,429
Other taxation and social security	**53**	38
Other creditors	**1**	-
Accruals and deferred income	**255**	544
Deferred consideration payable on acquisition of subsidiary undertakings	**1,500**	1,000
	15,262	14,229

14. Creditors: amounts falling due in more than one year

	2015 £'000	2014 £'000
Bank loan	**2,126**	3,188
Deferred consideration payable on acquisition of subsidiary undertakings	**4,500**	6,000
	6,626	9,188

15. Borrowings and financial derivatives

	2015 £'000	2014 £'000
Summary:		
Bank overdraft	**3,601**	2,473
Bank loans	**6,188**	7,800
	9,789	10,273

Borrowings are repayable as follows:	**2015 £'000**	2014 £'000
Within one year:		
Bank overdraft	**3,601**	2,473
Bank loans	**4,062**	4,613
Total due within one year	**7,663**	7,086
Bank loans:		
In more than one year but less than two years:	**1,063**	1,062
In more than two years:	**1,063**	2,125
Total due in more than one year:	**2,126**	3,187

16. Share capital

Authorised:

	45p deferred shares £'000	5p ordinary shares £'000
Authorised share capital at 31 March 2014 and at 31 March 2015	**45,000**	**10,000**

	45p deferred shares Number	5p ordinary shares Number	£'000
At 31 March 2014	67,378,520	74,604,999	34,051
Shares allotted on exercise of options	-	1,754,386	88
At 31 March 2015	**67,378,520**	**76,359,385**	**34,139**

The 5 pence ordinary shares have the same rights (including voting and dividend rights and rights on a return of capital) as the previous 50 pence ordinary shares. Holders of the 45 pence deferred shares do not have any right to receive notice of any general meeting of the Company or any right to attend, speak or vote at any such meeting.
The deferred share holders are not entitled to receive any dividend or other distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of the amounts paid up on the shares after the amount paid to the holders of the new ordinary shares exceeds £1,000,000 per new ordinary share. The deferred shares will also be incapable of transfer and no share certificates will be issued in respect of them.

17. Share premium account

	2015 £'000	2014 £'000
At 31 March 2015 and 31 March 2014	**6,608**	6,608

18. Share option reserve

	2015 £'000	2014 £'000
At start of year	**88**	137
Transfer to share capital on allotment of share options	**(88)**	-
Release to profit and loss account	**-**	(49)
At end of year	**-**	88

The Board of Directors approved the original transfer of reserves from retained earnings to a designated share option reserve.

19. Treasury shares

	2015 £'000	2014 £'000
At 31 March 2015 and 31 March 2014	**25**	25

20. Capital redemption reserve

	2015 £'000	2014 £'000
At 31 March 2015 and 31 March 2014	**125**	125

21. Profit and loss account

	2015 £'000	2014 £'000
At start of year	**(3,676)**	(786)
Credit in respect of share based payments	**-**	-
Release from share option reserve	**-**	49
Profit/(loss) for the year	**1,974**	(2,939)
At end of year	**(1,702)**	(3,676)

22. Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
At start of year	**37,171**	40,110
Credit in respect of share based payments	**-**	-
Retained profit/(loss) for the year	**1,974**	(2,939)
At end of year	**39,145**	37,171

23. Share based payments

Share based payment charge is as follows:

	2015 £'000	2014 £'000
Share based payment	**17**	-
Related National Insurance costs	**(4)**	36
	13	36

Details of the share options issued and the basis of calculation of the share based payments, which all relate to share options granted, are given in note 11 to the consolidated financial statements.

24. Contingent liabilities

As disclosed in note 12, currently £500,000 is held in Escrow in relation to the disposal of Tryzens Limited in September 2013 as deferred consideration due to the Company. In March 2015 the Company received notification of a claim from the acquirer and, although the Board believes this is entirely without merit and will be vigorously defended, the existence of this claim is noted and the release of the amount held in Escrow will be delayed pending resolution of the matter.

There is a cross guarantee between members of the Jaywing plc group of companies on all bank overdrafts and bank borrowings with Barclays Bank plc. At 31 March 2015 the amount thus guaranteed by the Company was £Nil (2014: £Nil).

25. Related parties

The Company is exempt from the requirements to FRS 8 to disclose transactions with other 100% members of the Jaywing plc group of companies.

Transactions with other related parties are disclosed in note 30 to the consolidated financial statements.

26. Financial risk management objectives and policies

Details of Group policies are set out in note 32 to the consolidated financial statements.

Shareholder information

Annual General Meeting

The 2015 Annual General Meeting will be held on 14 September 2015 at Cenkos Securities. 6.7.8. Tokenhouse Yard, London EC2R 7AS at 11 am.

Results

Announcement of half year results to 30 September 2015: November 2015.

Preliminary announcement of the annual results for the year ending 31 March 2016: early July 2016.

Dividend

There is no dividend payable.

Multiple accounts on the shareholder register

If you have received two or more copies of this document, this means that there is more than one account in your name on the shareholders register. This may be caused by either your name or address appearing on each account in a slightly different way. For security reasons, the Registrars will not amalgamate the account without your written consent, so if you would like any multiple accounts combined into one account, please write to Capita Registrars at the address given below.

Documents

The following documents, which are available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excluded), will also be available for inspection at the place of the AGM from at least 15 minutes prior to the meeting until its conclusion.

- Copies of the Executive Directors' service agreements and the Non-Executive Directors' letters of appointment;
- The memorandum and articles of association of the Company; and
- Register of Directors' interests in the share capital of the Company maintained under Section 809 of the Companies Act 2006.

Particulars of the Directors' interest in shares are given in the Remuneration Report which is contained in the Report and accounts for the year ended 31 March 2015.

Issued Share Capital

As at 6 July 2015 (being the last practicable date before the publication of this document) the Company's issued share capital comprised 76,359,385 ordinary shares of 5p each, of which 99,622 are held in Treasury. Therefore, as at 6 July 2015 the total voting rights in the Company were 76,259,763. On a vote by show of hands every member who is present in person or by proxy has one vote. On a poll every member who is present in person or by proxy has one vote for every ordinary share of which he or she is a holder.

Share dealing services

To purchase or sell shares in Jaywing plc log on to www.capitadeal.com or call 0871 664 0364 (Mon-Fri 8am-4.30pm). Capita Share Dealing Services is a trading name of Capita IRG Trustees Limited, which is authorised and regulated by the Financial Services Authority. If you are selling shares you must have the relevant certificate(s) in your possession. This is not a recommendation to buy or sell shares and this service may not be suitable for all shareholders.

Shareholder enquiries

Capita Registrars maintains the register of members of the Company. If you have any queries concerning your shareholding, or if any of your details change, please contact the Registrars:

Capita Registrars
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
HD8 0GA

Shareholder Helpline: 0871 664 0300 (calls cost 10p per minute plus network extras)

Fax: 01484 606484.

Textphone for shareholders with hearing difficulties: 0871 664 0532 (calls cost 10p per minute plus network extras)

Capita Registrar also offer a range of shareholder information online at www.capitaregistrars.com.

Website

Information on the Group is available at investors.jaywing.com

JAYWING

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JAYWING PLC is registered in England and Wales. 300 Attercliffe Common, Sheffield S9 2AG. Company number 05935923.