

On-line

On-line PLC
Annual Report 2016
FOR THE YEAR ENDED
30 JUNE 2016

Registered Number: 3203042 (England and Wales)

On-line plc

Financial Statements for the year ended 30 June 2016

	Page
Directors, Officers and Advisers	3
Chairman's Statement	4
Strategic Report	6
Report of the Directors	8
Remuneration Report	10
Independent Auditor's Report	11
Statement of Comprehensive Income	12
Statement of Financial Position	13
Statement of Changes in Equity and Statement of Cashflows	14
Summary of Significant Accounting Policies	15
Notes to the Financial Statements	19

On-line plc

Directors, Officers and Advisers

Directors

Michael Hodges (Chairman and Managing Director)
Clement Chambers
Jonathan Mullins

Secretary

Michael Hodges

Registered Office

Suite 27, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA

Independent Auditor

Grant Thornton UK LLP, The Explorer Building, Fleming Way, Manor Royal, Crawley, West Sussex, RH10 9GT

Nominated Adviser

Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU

Broker

Throgmorton Street Capital, 26 Throgmorton Street, London, EC2N 2AN

Solicitors

Field Fisher Waterhouse, 35 Vine Street, London, EC3N 2AA

Registrars

Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA

Company number: 03203042 (England & Wales)

On-line plc

Chairman's Statement

On-line plc continues in its role of an investment company whose sole investment is that of a holding of 18.05% in ADVFN plc ("ADVFN"). On-line is the largest shareholder and the Company works closely with ADVFN to ensure its success, which the Directors of the Company hope that in time will be of great benefit to shareholders as ADVFN makes progress in the financial data market.

The Company's turnover for the year was £85,000 (2015: £94,000) giving a profit before tax of £12,000 (2015: loss of £4,000).

The Company's financial performance for the year and Key Performance Indicators are analysed in the Strategic Report.

EXTRACT FROM THE ADVFN plc CHIEF EXECUTIVE'S REPORT

2016 was a transformational year for ADVFN with a change in the long term strategy of the company from international growth to consolidation of the existing business.

Having had our plans derailed last year by the attempt to take control of the ADVFN board, we have made the decision to enter a period of retrenchment.

Cash burn and losses are almost unavoidable with the sort of investment programs we have undertaken in the past. Currently the UK stock market has no stomach to support this kind of strategy so we have changed course to avoid needing to raise further funding and to instead produce profits and cash flow.

Curtailing investment drops quickly through to the bottom line but also feeds through to reductions in sales. The net result is equilibrium at a lower level of activity, which we hope will provide a solid basis for future growth. This is what we are working towards and, so far, we have made good progress.

The operating losses dropped from £1,905,000 to £650,000 an improvement of 65.8%. Sales are down 10.7% from £9,297,000 in 2015 to £8,303,000. However, costs of sales and expenses were down 20.1% per cent from £11,202,000 in 2015 to £8,953,000.

The after tax loss for the year was £478,000 down from £1,560,000 in the same period last year represents an improvement of 69.4%.

As announced on 24 March 2016, the loss after tax for the 6 months to 31 December 2015 was £442,000, so it can be seen that the company made a significantly reduced loss of £36,000 in the final six months in the financial year. This is an improvement of £406,000 on the previous half.

The market for our services is fast changing, with mobile becoming the dominant platform for communication and information. We have positioned ourselves for this development with our mobile app which has enabled us to buffer these changes as our traffic transitions to mobile.

However the mobile platforms are a weaker environment for monetisation which means, from a business perspective, we have to progress just to remain stationary.

This shift of usage from the desktop to mobile adds uncertainty but change is always an opportunity. We are well used to adapting to changing circumstances. In line with this we are adding new products to ADVFN which provide new advertising opportunities, new subscription products and new investor relations services.

We believe these offerings will help keep ADVFN relevant to its users as the online landscape continues to shift.

On-line plc

EXTRACT FROM THE ADVFN plc STRATEGIC REPORT

Summary of key performance indicators

	2016 Actual	2016 Target	2015 Actual	2015 Target
Turnover	£8.3M	£8.0M	£9.3M	£9 - £10M
Average head count	37	37	53	53
ADVFN registered users	3.5M	3.3M	3.2M	3.1M

On-line plc

Strategic Report

The strategy for the Company remains that of an investment company and currently the single investment held by the Company is that of a holding of 18.05% in ADVFN plc.

As an investment company On-line plc is always looking for further investment opportunities and should other investment opportunities present themselves the Directors will investigate them appropriately. In the meantime On-line plc will continue to work with ADVFN to help them develop and build their business whose growth and potential profitability will directly benefit the Company.

Principal risks and uncertainties

The management of the Company and the nature of the Company's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business. The directors are of the opinion that a thorough risk management process is adopted which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Single investment

The Company has a single investment which can provide economic benefits to the Company; this places a reliance on the performance of the investee which is high risk. The directors see the close working relationship with ADVFN as well as the search for additional investments and the building of an investment portfolio in the long term as necessary mitigating activities. However the prospects for ADVFN are currently very positive. The results in the extract above demonstrate a steadily improving performance in ADVFN and control of costs by reduction in headcount has paved the way to a better bottom line.

Economic downturn

The success of the world's stock markets might affect the business given the sector our investment operates in. Many things around the world can affect a stock market from war to human error. This can also have a knock on effect to consumer spending power as has been seen with the recent credit crunch around the world, although in the past when we have seen a market downturn this has not impacted on usage of ADVFN, with customers generally wanting to know what is happening in the markets, be it good or bad. In response to this potential risk, senior management aim to keep abreast of economic conditions around the world; not only should senior management be aware of it, likewise so should our customers and members. In cases of severe economic downturn, marketing and pricing strategies are modified to reflect the new market conditions. The 'Brexit' referendum took place just before the end of the financial year and the lead up was a drag on the company. The situation has improved since the vote.

High proportion of fixed overheads

A large proportion of the Company's overheads are reasonably fixed. There is the risk that any significant changes in revenue may lead to the inability to cover such costs. Management closely monitor fixed overheads against budget on a monthly basis and cost saving exercises have been implemented.

Performance

The performance of the Company is reliant on the performance of ADVFN plc. The Company supplies management services and makes advertising recharges to ADVFN which forms the turnover of the Company. As a result of this reliance the extract of the ADVFN accounts above will give necessary information and background on the factors affecting the performance of the Company.

The following financial KPIs may prove helpful:

	2016 Actual	2016 Target	2015 Actual	2015 Target
Turnover (£'000)	85	85	94	80
Operating results (£'000)	12	0	(4)	0
Earnings/(loss) per share (pence)	0.16 p	0.00p	(0.05)p	0.00p

On-line plc

Strategic Report (continued)

Performance (continued)

Financial KPIs

The financial indicators are designed to offer a dashboard check of the significant measures of the company's operations. The turnover has reached the gradually increasing target whilst the operating results and EPS demonstrate that costs are being controlled and profits earned.

The company does not currently monitor non-financial KPI's and will do so when they can offer additional clarity to the financial performance measures.

Operating costs

Our costs remain reasonably fixed and predictable and we do not see that changing in the immediate future. They are firmly under control and we hope this will allow the generation of profits in the future.

Research and development

We believe in trying to get the best from all areas that we work in. It is very important that On-line and ADVFN continue to invest in the quality and design of our products. We believe continued investment in our research and development is fundamental to the continuing growth of the business.

Environmental policy

This has always been important to the Company and as a whole we continue to look for ways to develop our environmental policy. It is our objective to improve our performance in this area. We have a very small foot print and try to reduce any waste we create; we are a small team which makes this task easier. Most of our communications are electronic which again cuts our use of non-environmentally friendly products.

Future developments for the business

We feel it is right for us to work with our investment and assist it with its growth. This has seen it increase its business and allow new areas to be explored. The prospect of ADVFN continuing to grow in the medium term provides the incentive to go on concentrating on this business in the immediate future. Should other investment opportunities present themselves the Directors will investigate them appropriately.

Approved and signed on behalf of the Board of Directors

Michael Hodges

Director

10 November 2016

On-line plc

Report of the Directors

The Directors submit their report and financial statements for the year ended 30 June 2016.

Principal activities and business review

The principal activity of the Company is to hold an investment in a company that develops and exploits internet content. The Strategic Report provides a review of the business.

Results

The profit for the financial year amounted to £12,000 (2015: loss of £4,000). The directors do not propose the payment of a dividend.

Directors

The directors holding office throughout the year were:

Michael Hodges, aged 53, Chairman and Managing Director

Michael Hodges has over 24 years experience in computer software development and publishing, while working with multi-user and Internet projects for the last fifteen years. He founded On-line plc (On-line), ADVFN plc (ADVFN) and ALL IPO plc (ALL IPO). He is currently Chairman of On-line plc, ADVFN and a director of ALL IPO.

Clement Chambers, aged 52, Director

Co-founder of On-line plc, Clement Chambers has been involved in the consumer software industry for over 25 years, primarily as a publisher of computer games and entertainment software. He is also managing director of ADVFN and a director of ALL IPO.

Jonathan Mullins, aged 46, Director

Jonathan Mullins has been developing on line services, products and infrastructure for many years. He is also technical director of ADVFN where he has been responsible for the construction of the ADVFN website.

Substantial shareholdings

At [10](#) November 2016 the following had notified the Company of a disclosable interest of 3% or more of the nominal value of the Company's shares:

	Shareholding Ordinary	%	Shareholding Deferred	%
C H Chambers	1,529,364	20.0	1,504,364	23.7
M J Hodges	1,365,642	17.8	1,132,014	17.8
Barnard Nominees	-	-	252,000	4.0
P O'Reilly	1,060,000	13.8	-	-

Financial risk management

Information relating to the Company's financial risk management is detailed in note [11](#) to the financial statements.

On-line plc

Report of the directors (continued)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws) specifically under FRS 102 'The financial reporting standard applicable in the UK and Republic of Ireland'. 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 for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements 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 disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the 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 confirm that:

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

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.

Transition to FRS 102

The accounts for On-line plc are presented, for the first time, under FRS 102. Please refer to note 15 for details of the transition to the new standard.

Auditor

In accordance with section 489(4) of the Companies Act 2006, a resolution proposing the reappointment of Grant Thornton UK LLP will be put to the members at the forthcoming Annual General Meeting.

Approved and signed on behalf of the directors on 10 November 2016,

Michael Hodges
Director

On-line plc

Remuneration Report

Directors' emoluments

None of the directors received any emoluments during either the current or previous year but do hold share options as detailed in note 13.

Directors' share options

The interests of the directors in the options of the Company at 30 June 2016 and 30 June 2015 were:

	At 30 June 2016 Number	At 30 June 2015 Number	Exercise price	Lapse
M J Hodges	150,000	150,000	20p	1 September 2022
C H Chambers	150,000	150,000	20p	1 September 2022
J B Mullins	150,000	150,000	20p	1 September 2022
	<u>450,000</u>	<u>450,000</u>		

The market price of the 5.0p ordinary shares at 30 June 2016 was 21.50p and the range during the year was from 34.50p to 21.50p.

Service contracts

The executive directors have contracts with a thirty six month notice period.

Directors' interests

The interests of the directors holding office at the year end in the ordinary and deferred shares of the Company at 30 June 2016 and 30 June 2015 are as shown below:

	2016 Ordinary 5p Number	2016 Deferred 45p Number	2015 Ordinary 5p Number	2015 Deferred 45p Number
C H Chambers	1,529,364	1,504,364	1,529,364	1,504,364
M J Hodges	1,365,642	1,132,014	1,365,642	1,132,014
J B Mullins	164,486	164,486	164,486	164,486

On-line plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ON-LINE PLC

We have audited the financial statements of On-line plc for the year ended 30 June 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 Statement of Directors' responsibilities set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the Company financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Jonathan Maile BSc (Hons) FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Gatwick

10 November 2016

On-line plc

Statement of Comprehensive Income

	Notes	2016 £'000	2015 £'000
Revenue	1	85	94
Administrative expenses		<u>(73)</u>	<u>(98)</u>
Operating profit/(loss)	2	12	(4)
Interest payable		<u>-</u>	<u>-</u>
Profit/(loss) before taxation	1	12	(4)
Taxation	4	<u>-</u>	<u>-</u>
Profit/(loss) and total comprehensive income for the year attributable to share holders of the parent		<u>12</u>	<u>(4)</u>
Basic profit/(loss) per ordinary share	5	0.16 p	(0.05)p
Diluted profit/(loss) per ordinary share	5	0.15 p	(0.05)p

The accompanying accounting policies and notes form an integral part of these financial statements.

On-line plc

Statement of Financial Position at 30 June 2016

	Notes	2016 £'000	2015 £'000
Non-current assets			
Investments	6	868	868
Trade and other receivables	7	-	72
		<hr/>	<hr/>
		868	940
Current assets			
Trade and other receivables	7	159	8
Cash and cash equivalents	10	-	24
		<hr/>	<hr/>
		159	32
		<hr/>	<hr/>
Total assets		1,027	972
Equity and liabilities			
Equity			
Issued share capital	12	3,242	3,242
Share premium account		2,205	2,205
Share based payment reserve		36	35
Profit and loss account		(4,543)	(4,555)
		<hr/>	<hr/>
Total shareholders' funds		940	927
Current liabilities			
Trade and other payables	8	32	45
Borrowings (bank overdraft)	10	55	-
		<hr/>	<hr/>
		87	45
		<hr/>	<hr/>
Total assets less current liabilities		1,027	972

The financial statements were approved by the Board of Directors on 10 November 2016 and were signed on its behalf by

Michael Hodges
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company Number: 03203042

On-line plc

Statement of Changes in Equity

	Share capital	Share premium account	Share based payment reserve	Retained earnings	Total equity
At 1 July 2014	3,242	2,205	28	(4,551)	924
Transactions with owners					
Equity settled share options	-	-	7	-	7
Total comprehensive income for the year	-	-	-	(4)	(4)
At 30 June 2015	3,242	2,205	35	(4,555)	927
Transactions with owners					
Equity settled share options	-	-	1	-	1
Total comprehensive income for the year	-	-	-	12	12
At 30 June 2016	3,242	2,205	36	(4,543)	940

Statement of Cashflows

	2016 £'000	2015 £'000
Cash flows from operating activities		
Profit/(loss) for the period before tax	12	(4)
Share based payments	1	7
(Increase)/decrease in trade and other receivables	(79)	29
(Decrease)/increase in trade and other payables	(13)	7
Net cash (used)/generated by operating activities	(79)	39
(Decrease)/increase in cash and cash equivalents	(79)	39
Cash and cash equivalents at the start of the period	24	(15)
Cash and cash equivalents at the end of the period	(55)	24

On-line plc

Summary of Significant Accounting Policies

Principal activity

On-line plc continues in its role of an investment company whose sole investment is that of a holding of 18.05% in ADVFN plc. On-line is the largest shareholder and the Company works closely with ADVFN to ensure its success, which in time will be of great benefit to us as it makes progress in the financial data market.

The Company is a public limited company which is quoted on the Alternative Investment Market of the London Stock Exchange and is incorporated and domiciled in the UK. The address of the registered office is Suite 27, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA.

Company number: 03203042 (England & Wales)

Basis of preparation

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

This is the first year in which the financial statements have been prepared under FRS 102, there were no changes to the reporting financial information as a result of the adoption of FRS 102. The principal accounting policies are set out below.

The financial statements are presented in Sterling (£) rounded to the nearest thousand except where specified.

Going concern

The financial statements have been prepared on the going concern basis which assumes the Company will continue in existence for the foreseeable future. The Company has an agreed borrowing facility of £50,000 and at the year end this was exceeded by £5,000 with the agreement of the Company's bankers. Since the year end the overdraft has reduced below the facility limit standing at £46,000 on 31 October 2016.

Should the Company need to improve its cash position it could liquidate some of its investment in ADVFN, however, it does not anticipate this being necessary. In addition, the Company had amounts due to it from ADVFN plc amounting to £155,000 (2015: £72,000).

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. Accordingly, the directors believe it is appropriate for the financial statements to be prepared on the going concern basis.

Standards and amendments to existing standards adopted in these accounts

The following standards, amendments and interpretations became effective and were applied for the first time this year:

FRS 102 – 'The financial reporting standard applicable in the UK and Republic of Ireland'

This standard provides a single coherent financial reporting standard which replaces old UK GAAP and aligns UK accounting with International Financial Reporting Standards (IFRS). There are a number of significant differences between FRS 102 and IFRS which are designed to address Company Law requirements and incorporate additional accounting options.

The Directors continue to monitor the impact of future changes to the reporting requirements but do not believe the proposed changes will significantly impact the financial statements.

On-line plc

Summary of Significant Accounting Policies (continued)

Income and expense recognition

Revenue is the fair value of the total amount receivable by the Company for supplies of products as principal and for services. VAT or similar local taxes and trade discounts are excluded.

The revenue of the Company is derived from the supply of management services and making advertising recharges to ADVFN plc, the main investment made by the Company. The revenue is recognised as the service is provided. Turnover is the total amount receivable in the ordinary course of business for these recharged services and services purchased on their behalf, excluding VAT. Turnover is recognised when the service has been supplied so the contractual obligations are met and a right to consideration is earned.

Interest income and expenditure are reported on an accruals basis. Operating expenses are recognised in the income statement upon utilisation of the service or at the date of their origin.

Financial assets

Financial assets consist of loans and receivables. Financial assets are assigned to their different categories by management on initial recognition, depending on the characteristics of the asset.

- Investments

Equity investments classed as associates are held at cost.

- Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that a trade receivable is impaired. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administrative expenses. When a trade receivable is uncollectible it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

Financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in the income statement.

Trade payables are recognised initially at their fair value, net of transaction costs and subsequently measured at amortised costs less settlement payments.

On-line plc

Summary of Significant Accounting Policies

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from an associate have been recognised, and will be assessed for tax in a future period, except where:

- the group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the group has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Equity

Equity comprises the following elements:

- Share capital

Ordinary shares are classified as equity. The nominal value of shares is included in issued capital.

- Share premium

The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.

- Share based payment reserve

The share based payment reserve represents equity settled share based employee remuneration until such share options are exercised.

- Retained earnings

The retained earnings include all current and prior period results for the Company as determined by the income statement.

On-line plc

Summary of Significant Accounting Policies

Share based payments

The Company has recognised a charge to the profit and loss account for all applicable share based payments, including share options. The Company has equity-settled share based payments but no cash-settled share based payments. All share based payments awards granted after 7 November 2002 which had not vested prior to 1 July 2006 are recognised in the financial statements at their fair value at the date of grant.

As vesting periods and non-market based vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. All equity-settled share based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to the option valuation reserve.

Where modifications are made to the vesting or lapse dates of options, charges relating to the original option conditions are amended as necessary to reflect the change; any additional fair value created by the modification is expensed over the remaining vesting period.

Use of key accounting estimates and judgements

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies

- The directors have used their judgement to decide whether the Company should be treated as a going concern and whether it will be able to continue in existence for the foreseeable future. Directors must consider the latest forecasts, together with the cash resources, if any, available to them. The Company carries a significant receivable from the related party ADVFN together with a significant investment in the shares of the same company and therefore the directors have judged that it is appropriate for the financial statements to be prepared on the going concern basis.
- The Directors must consider whether the investment in ADVFN gives sufficient influence over the investee so as to require the investee to be considered an associate. The Directors consider that such influence exists and therefore ADVFN is considered an associate of the company.

Key assumptions and estimation uncertainty

- The Company uses estimation techniques to value the options which are granted to management. The technique is based on the results of the Black-Sholes model and requires inputs to calculate the value. The directors estimate the value of the inputs based on historical data and market experience.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

1. Revenue and profit/(loss) before taxation

The revenue and profit before taxation are attributable to management charges and recharged advertising costs. All turnover originated in the UK. As a result, the directors regard this as a single segment for reporting purposes.

2. Operating profit/(loss)

Operating profit/(loss) is arrived at after charging the following items:

	2016 £'000	2015 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	9	10
Fees payable to the Company's auditor for other services:		
Other services	15	15
Tax compliance services	2	2
	<u> </u>	<u> </u>

3. Staff numbers and costs

The average monthly number of persons (comprising the directors) employed by the Company during the year was 3 (2015: 3). The directors received no salary or bonus in the year to 30 June 2016 (2015: £nil) but hold share options as detailed in note 13.

4. Taxation

There is no tax charge or credit for the period.

The tax can be reconciled as follows:

	2016 £'000	2015 £'000
Profit/(loss) on ordinary activities before tax	<u>12</u>	<u>(4)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.08% (2015: 20.75%)	2	(1)
Effect of:		
Expenses not deductible	1	-
Adjust closing deferred tax to average rate of 20%	76	-
Deferred tax not recognised	<u>(79)</u>	<u>1</u>
Tax on profit/(loss) on ordinary activities before tax	<u> </u>	<u> </u>

The Company has unused trading losses and management expenses of approximately £3,809,000 (2015: £3,819,000) to carry forward against profits of the same trade which will be recovered once the Company makes a profit.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

4. Taxation (continued)

Deferred taxation

Deferred taxation not provided for in the financial statements is set out below. The amounts are calculated using tax rates of 18.00% (2015: 20.00%).

	2016 £'000	2015 £'000
Accelerated capital allowances	(1)	(1)
Trading losses	(685)	(763)
	<u>(686)</u>	<u>(764)</u>

The tax losses are available to carry forward against future taxable profits of the same trade. No provision has been included in the financial statements as there is insufficient evidence at the balance sheet date that the losses will be utilised in the future.

5. Earnings per share

	Profit £'000	2016 Number of shares '000	Earnings per share p	Loss £'000	2015 Number of shares '000	Earnings per share p
Basic earnings per share						
Profit/(loss) for the year	<u>12</u>			<u>(4)</u>		
Weighted average number of shares		<u>7,662</u>			<u>7,662</u>	
Basic earnings/(loss) per share			<u>0.16 p</u>			<u>(0.05)p</u>
Diluted earnings per share						
Dilution of shares		<u>129</u>				
Weighted average number of shares		<u>7,791</u>				
Diluted earnings per share			<u>0.15 p</u>			

Where there is a loss for the year the existence of share options is not dilutive.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

6. Investments

	Associated undertakings £'000
Cost and net book value	
At 30 June 2016	868
At 30 June 2015	868

The Company owns 18.05% (2015: 18.26%) of ADVFN plc (ADVFN) which is incorporated in England and Wales and its principal activity is the development and provision of financial information, primarily via the internet, research services and the development and exploitation of ancillary internet sites. The aggregate share capital and reserves of ADVFN, prepared under FRS 102, at 30 June 2016 was £704,000 (2015: £722,000) and its loss for the year then ended was £478,000 (2015: loss of £1,559,000). The loss of ADVFN under UK GAAP is greater than that presented in ADVFN's published financial statements prepared under IFRS, principally because UK GAAP FRS 102 requires the annual amortisation of goodwill in contrast to IFRS.

The investment in ADVFN plc is treated for the purposes of financial reporting as an associate due to the common directorships held between ADVFN plc and On-line plc and the resulting level of significant influence over the associate.

Were the Company required to prepare consolidated financial statements and equity account for its associated undertaking, the Company's interest in its associated undertaking and its share of its losses for the year would have been as follows:

Investment in associated undertaking	£'000
At 1 July 2015	132
Share of associate's losses	(86)
Share of associate's other reserve movements	81
At 30 June 2016	127

Interest in associate at net book amount includes:

	2016 £'000	2015 £'000
Listed investments at net book value	868	868
Listed investments at market value	898	4,398

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

6. Investments (continued)

Associate at investment in excess of 15%

	2016	2015
	£'000	£'000
Share of turnover of associates	1,499	1,698
Share of fixed assets	268	235
Share of current assets	395	414
	<u>663</u>	<u>649</u>
Liabilities due within one year	(518)	(499)
Liabilities due after more than one year	(18)	(18)
	<u>(536)</u>	<u>(517)</u>
Share of net assets	<u>127</u>	<u>132</u>

7. Trade and other receivables

	2016	2015
	£'000	£'000
Non-current assets		
Other receivables-related party (see note 14)	-	72
Current assets		
Other receivables-related party (see note 14)	155	-
Prepayments and accrued income	<u>4</u>	<u>8</u>
	<u>159</u>	<u>8</u>

8. Trade and other payables

	2016	2015
	£'000	£'000
Trade creditors	21	27
Accruals and deferred income	7	12
Other creditors	<u>4</u>	<u>6</u>
	<u>32</u>	<u>45</u>

The bank overdraft has been secured by way of a fixed charge over the shares the company holds in ADVFN plc.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

9. Financial instruments

<i>Categories of financial instruments</i>	2016 £'000	2015 £'000
Non-current		
Other receivables-related party - loans and receivables	-	72
Current		
Other receivables-related party - loans and receivables	155	-
Prepayments and accrued income – non-financial assets	4	8
	<u>159</u>	<u>8</u>
Cash and cash equivalents - loans and receivables	-	24
Total loans and receivables	<u>155</u>	<u>96</u>
Trade and other creditors – other financial liabilities at amortised cost	32	45
Trade and other creditors – non-financial liabilities	-	-
	<u>32</u>	<u>45</u>

10. Cash and cash equivalents

	2016 £'000	2015 £'000
Cash at cash equivalents	-	24
Bank overdraft	(55)	-
	<u>(55)</u>	<u>24</u>

11. Financial risk management

The Company uses financial instruments, comprising cash balances and bank overdrafts, investments, debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Company's operations. The fair value of the financial assets and liabilities (except for fixed asset investments which are held at cost) is not significantly different to the amount included in the financial statements. The Company had no borrowings, except for a bank overdraft facility amounting to £50,000, or foreign currency exposure and has no significant financial risk to manage.

Short term debtors and creditors have been excluded from all disclosures.

Liquidity risk

Liquidity risk is the risk that the Company will have insufficient funds to meet its liabilities as they fall due. The directors monitor cash flow on a daily basis and at monthly board meetings in the context of their expectations for the business to ensure sufficient liquidity is available to meet foreseeable needs. Trade and other payables amounted to £32,000 (2015: £45,000) and the bank overdraft stood at £55,000 (2015: £nil) at the year end. Where required, the Company funds operating losses through periodic share issues or sales of its investments to raise cash.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

Financial risk management (continued)

Interest rate risk

The directors do not consider that the business is exposed to material interest rate risk. The Company finances its operations through cash reserves and bank overdraft facilities. The bank overdraft facility available to the Company during the year means there is no need to use interest bearing borrowings.

Price risk

The Company holds an investment of 18.05% of the share capital of ADVFN plc which is traded on the Alternative Investment Market. The share price of this investment will fluctuate and the variation in the year was 127.50p to 19.50p (2015: 71.25p to 130.00p).

Borrowing facilities

Committed overdraft facilities of £50,000 are available to the Company and at 30 June 2016 the overdraft amounted to £55,000 (2015: £nil) with the agreement of the Company's bankers. Since the year end the overdraft has reduced below the facility limit standing at £46,000 on 31 October 2016. The facilities are repayable on demand and are renewed annually in November.

12. Issued share capital

	2016 Number	2015 Number	2016 £'000	2015 £'000
Allotted, called up and fully paid				
Ordinary shares of 5p each	7,662,348	7,662,348	383	383
Deferred shares of 45p	6,352,539	6,352,539	2,859	2,859
	<u>14,014,887</u>	<u>14,014,887</u>	<u>3,242</u>	<u>3,242</u>

The Deferred Shares do not entitle the holders thereof to receive any dividend or other distribution nor to receive notice of or to attend or vote at any General Meeting of the Company. On a return of capital on a winding up the holders of Deferred Shares are only entitled to receive the amount paid up on such shares after the holders of the Ordinary Shares have received the sum of £100,000 for each Ordinary Share held by them and shall have no other right to participate in the assets of the Company.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

13. Share-based payments

Equity-settled share-based payments

The Company has a share option scheme for directors. Options are exercisable at a price set at the date of grant. The options vest immediately on grant except where re-dated; in which case the date of vesting was deferred until the 2 September 2015 and in consequence the date of lapse until 1 September 2022. The options are settled in equity once exercised. If the options remain unexercised after a period of 7 years from the date of grant, the options expire.

The fair value of options granted after 7 November 2002 has been arrived at using the Black-Scholes model. The assumptions inherent in the use of this model are as follows:

- the option life is assumed to be at the end of the allowed life
- There are no vesting conditions which apply to the share options
- No variables change during the life of the option (e.g. dividend yield must be zero)
- Volatility has been calculated over the 3 years prior to the grant date by reference to the daily share price.

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

	2016 WAEP		2015 WAEP	
	No	p	No	p
Outstanding at the beginning of the year	450,000	20.00	450,000	20.00
Lapsed in the year	-	-	-	-
Outstanding at end of the year	<u>450,000</u>	<u>20.00</u>	<u>450,000</u>	<u>20.00</u>
Exercisable at the year end	<u>450,000</u>	<u>20.00</u>	<u>-</u>	<u>-</u>

The share options outstanding at the end of the year have a weighted average remaining contractual life of 6 years (2015: 7 years) and have the following exercise prices:

Expiry date	Exercise price p	2016 No	2015 No
1 September 2022	20.00	<u>450,000</u>	<u>450,000</u>

The charge for the year in the profit and loss account was £1,000 (2015: £7,000). No options were exercised during the year.

On-line plc

Notes to the Financial Statements for the year ended 30 June 2016

14. Related party transactions

At 30 June 2015 the Company was owed £155,000 by ADVFN plc (2015: £72,000). The Company made management charges and advertising recharges of £85,000 (2015: £94,000) to ADVFN plc for the year. ADVFN plc is related by virtue of having common directors; M J Hodges, C H Chambers, and J Mullins and as the Company holds approximately 18% of the shares in ADVFN plc.

Broking services were supplied by All IPO Plc to On-line Plc free of charge which is the equivalent of £23,000 (2015: £23,000) for the year; On-line Plc is related to All IPO Plc, by virtue of On-line's investment in ADVFN Plc, All IPO Plc is a subsidiary of ADVFN Plc and has common directorships.

15. Transition to FRS 102

The company has adopted FRS 102 for the year ended 30 June 2016. The transition date is 1 July 2014 and the balance sheets for years ending 30 June 2015 and 30 June 2016 are shown in the primary statements.

There are no adjustments which impact the financial results; however the presentation of the primary statements and disclosure notes has changed in line with the new standard. The most significant items can be summarised as follows:

The Statement of Financial Position has replaced the balance sheet.

The Statement of Comprehensive Income has replaced the profit and loss account.

Various disclosures concerning the movements in the reserves have been combined into the Statement of Changes in Equity.

On-line PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of On-line PLC will be held in the Conference Room, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA on Thursday 15th December 2016 at 11.00 a.m. for the following purposes:

Ordinary Business

- 1 To receive and adopt the financial statements and reports of the directors and auditors for the financial period ended 30 June 2016.
- 2 To re-elect Mr. M J Hodges as a director of the Company, who will retire by rotation in accordance with the Company's Articles of Association and offers himself for re-election.
- 3 To re-appoint Grant Thornton UK LLP as auditors of the Company to hold office until the next Annual General Meeting and to authorise the directors to fix their remuneration.

Special Business

- 4 To consider, and if thought fit, to pass the following as an ordinary resolution:-
That the directors of the Company (the "**Directors**") be and are hereby authorised generally and unconditionally pursuant to and for the purposes of Section 551 of the Companies Act 2006 (the "**Act**") to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £ 191,559 provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2017 save that the Company may make an offer or agreement before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights pursuant thereto as if the authority conferred hereby had not expired, such authority to be in substitution for any existing authorities conferred on the Directors pursuant to Section 80 of the Companies Act 1985.
- 5 To consider, and if thought fit, pass the following as a special resolution:-
That, conditional on the passing of resolution 4 above, the Directors be and are hereby generally empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority conferred by resolution 4 above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be in substitution for any previous powers conferred on the Directors pursuant to Section 95 of the Companies Act 1985 and shall be limited to:
 - (a) allotments of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to holders of ordinary shares made in proportion (or as nearly as may be) to their existing holdings of ordinary shares in the Company subject to the Directors having a right to make such exclusions or other arrangements in connection with such offering as they may deem necessary or expedient:-
 - (i) to deal with equity securities representing fractional entitlements; and
 - (ii) to deal with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory; and
 - (b) other allotments (otherwise than pursuant to sub-paragraph (a) above) of equity securities for cash up to an aggregate nominal amount equal to £ 191,559 and such authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2017 save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

Registered Office:
Suite 27,
Essex Technology Centre
The Gables, Fyfield Road
Ongar
Essex
CM5 0GA

By order of the Board
Michael Hodges
Director

10th November 2016

On-line PLC

NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of him. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. The proxy need not be a member of the Company. Please refer to the notes to the Form of Proxy for further information on appointing a proxy, including how to appoint multiple proxies (as the case may be).

2. If you wish your proxy to speak on your behalf at the meeting, you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. If you wish to appoint a proxy other than the Chairman of the meeting, cross out the words "the Chairman of the meeting" on the Form of Proxy and write the full name and address of your proxy on the dotted line. The change should be initialled.

3. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he/she thinks fit on the specified resolutions and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to resolutions) which may properly come before the meeting.

4. In the case of joint holders, the signature of any one of them will suffice but the names of all joint holders should be stated. The vote of the senior who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the votes of the other holders. For this purpose, seniority is determined by the order in which the names stand in the register of members in respect of the joint holding.

5. To be effective, the enclosed Form of Proxy must be duly completed and deposited together with any power of attorney or other authority (if any) under which it is executed (or a duly certified copy of such power or authority) and lodged at the offices of the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA no later than 11.00 a.m. on 13th December 2016. Please note that the pre-paid address printed on the reverse of the Form of Proxy is only for use if you are posting from within the United Kingdom.

6. Completion and return of the Form of Proxy will not preclude a shareholder from attending and voting in person at the meeting.

7. The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members entered on the register of members of the Company at 6 p.m. UK time on 13th December 2016 shall be entitled to attend and vote at the meeting or, if the meeting is adjourned, 6 p.m. on the day two days prior to the adjourned meeting. Changes to entries on the register of members after such time shall be disregarded in determining the right of any person to attend or vote at the meeting.

On-line PLC

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING (“AGM”) OF ADVFN PLC (THE “COMPANY”)

At the AGM, resolutions will be proposed as explained below.

Resolution 1 – Receiving the accounts

An ordinary resolution will be proposed that the report of the directors and the accounts for the year ended 30 June 2016 together with the report of the auditors on those accounts be received and adopted.

Resolution 2 – Re-election of Mr. M J Hodges as a director of the Company

An ordinary resolution will be proposed to re-elect Mr. M J Hodges, who is retiring and, being eligible, offers himself for re-election as a director of the Company.

Resolution 3 – Re-appointment of auditors

An ordinary resolution will be proposed that Grant Thornton UK LLP be re-appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and that their remuneration be fixed by the directors of the Company (the “**Directors**”) from time to time.

Special Business

Resolution 4 – Authority to allot relevant securities

An ordinary resolution will be proposed giving the Directors authority pursuant to section 551 of the Companies Act 2006 (the “**2006 Act**”) to exercise all powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a maximum aggregate nominal amount of £ 191,559 to such persons at such times and upon such terms and conditions as the Directors may determine (subject always to the articles of association of the Company). Such authority will, unless renewed, varied or revoked, expire at the conclusion of the Annual General Meeting of the Company to be held in 2017.

Resolution 5 – Authority to disapply pre-emption rights

Subject to the passing of resolution 4, a special resolution will be proposed to empower the Directors to allot equity securities pursuant to the authority conferred by resolution 4 as if the pre-emption rights set out in section 561(1) of the 2006 Act did not apply, in respect of the following matters:

(a) the allotment of equity securities in connection with an offer of such securities by way of a rights issue or other issues pro rata to existing entitlements to holders of relevant equity securities in proportion (as nearly as may be) to the respective amounts of equity securities held by them but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with equity securities which represent fractional entitlements or legal or practical difficulties under the laws of any territory or the requirements of any regulatory body, stock exchange or other authority in any jurisdiction; and

(b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to a maximum aggregate nominal amount of £ 191,559. Such authority will, unless renewed, varied or revoked, expire at the conclusion of the Annual General Meeting of the Company to be held in 2017.

On-line PLC

FORM OF PROXY

To:
The Directors
On-line PLC (the Company)
c/o Neville Registrars Limited
Neville House
18 Laurel Lane
West Midlands
B63 3DA

Dear Sirs

I/We.....
of.....
being a member of the Company hereby appoint.....
of.....

or failing him, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 15th December 2016 at 11:00 a.m. and at any adjournment thereof.
I/we direct that my/our proxy vote as indicated below in respect of the resolutions, which are referred to in the notice convening the meeting (see note 1 below).

**Resolutions For Against
Ordinary Resolutions:**

- 1. To adopt the Report and Accounts for the year ended 30 June 2016
- 2. To re-elect Mr. M J Hodges as a director of the Company
- 3. To re-appoint Grant Thornton UK LLP as the Company's auditors

For Against Abstain Withhold

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Business

- 4. To authorise the directors to allot shares or grant rights pursuant to section 551 of the Companies Act 2006 (the "2006 Act")
- 5. To authorise the Directors to allot equity securities for cash pursuant to section 570 of the 2006 Act.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date..... Signature.....

Notes :

- 1. Please indicate with an "X" in the appropriate space how you wish your votes to be cast. If no indication is given your proxy will vote or abstain from voting at his discretion.
- 2. A member entitled to attend and vote is entitled to appoint a proxy to exercise all or any rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority, must arrive at the address shown above not less than 48 hours before the time appointed for the meeting or any adjournment of the meeting.
- 3. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given.
- 4. This form of proxy, if completed by a corporation, should be executed under the common seal of that corporation or be signed by an officer or attorney duly authorised to do so, whose capacity should be stated.
- 5. A member wishing to appoint as his proxy a person other than the Chairman of the Meeting, should insert in block capitals the full name of the person of his choice where indicated, and delete the words "the Chairman of the Meeting". All alterations should be initialled.
- 6. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated. Otherwise, in order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice revoking your proxy appointment to the Neville, Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. In the case of a corporation, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- 7. If you submit more than one valid proxy appointment but the instructions in such appointments are not compatible with each other, the appointment received last before the latest time for the receipt of proxies will take precedence.

SECOND FOLD

**Business Reply Plus
Licence Number
RSTY-SAKX-RZSL**



Neville Registrars Limited
Neville House
18 Laurel Lane
HALESOWEN
B63 3DA

FIRST FOLD

THIRD FOLD