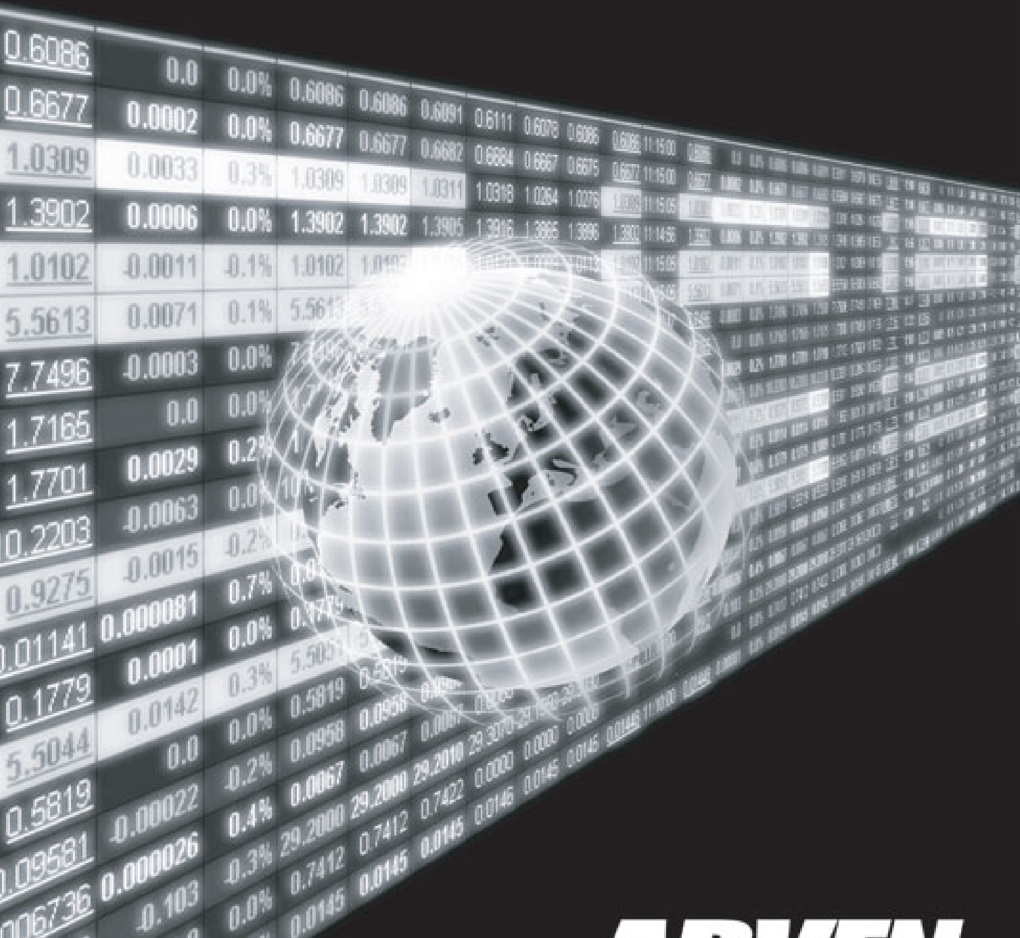

ADVFN

www.advfn.com

ADVFN Plc Annual Report 2009
FOR THE YEAR ENDED 30 JUNE 2009

Registered Number: 2374988 (England and Wales)

CONTENTS OF THE FINANCIAL STATEMENTS

ADVFN PLC

Audited Results for the Year Ended 30 June 2009

ADVFN, Europe's leading stocks and shares website, announces its audited results for the year ended 30 June 2009

Highlights:

- ***EBITDA profits of £641,000 (2008: loss of £48,000)***
- ***Operating loss reduced by 67% to £429,000 (2008:£1,308,000)***
- ***Loss after tax down 39% to £535,000 (2008: £882,000)***
- ***Loss per share reduced by 40% to 0.09p (2008: 0.15p)***

DIRECTORS, OFFICERS AND ADVISERS

Directors

Michael Hodges (Chairman)

Clem Chambers (Managing Director)

Jonathan Mullins (Technical Director and Chief Financial Officer)

Raymond Negus (Sales Director)

Robert Emmet (Non-executive Director)

Secretary

Jackie Ryder

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, Grant Thornton House, Melton Street, Euston Square, London, NW1 2EP

Broker

Mirabaud Securities Limited, 21 St James' Square, London, SW1Y 4JP

Registrars

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

Company number: 2374988

CHIEF EXECUTIVE'S STATEMENT

ADVFN finished the year end to June 2009 in strong shape. Even as the worst economic crisis in living memory has unfolded we have ended the year with overall sales growth and a series of much improved financial numbers.

Our EBITDA profit was £641,000 .

We have not simply sailed through the "credit crunch," we have worked hard to optimise the business and this comes out in our figures, which show a much improved financial performance coming from a small increase in overall sales. Advertising sales has been under significant pressure during this period but has managed to hold at around previous year's level, showing a gross fall of 9% overall. This is a small drop in comparison to the kinds of slumps seen in print and TV advertising. While a drop, it represents a strong outcome and underlines the quality of our advertising product. Also feeling the pinch from the market crash, has been Equity Development, whose customers are listed SME and midcap companies many of which have experienced extremely harsh conditions. Considering the historic toughness of the economic environment, the improved results are a solid performance. While our subscription income has gone from strength to strength, we are just beginning to see some strength returning to our advertising demand and we expect to return to growth in this area in 2010.

We are making good overall progress in the UK and US, while our other markets continue to show subscription growth. With the launch of new products in the US we have seen our US business at Investors Hub and ADVFN start to take off strongly. This is particularly exciting. We have executed two significant corporate deals this year, the sale of Silicon Investor and the purchase of All IPO. The Silicon Investor deal enables us to rationalise our US focus and get paid to do it, while the All IPO purchase enables us to bring All IPO's technology under the ADVFN umbrella while gaining ADVFN access to a regulated company.

Financial overview

These accounts have been prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union. They show a strong improvement in core performance. Our EBITDA (earnings before interest, tax, depreciation and amortisation) is calculated by adding back amortisation and depreciation to operating profit. The comparative figure for 2008 includes only continuing operations. This shows a £641,000 profit against a loss of £48,000 last year. Over the same period our operating loss fell 67% (from £1.3m in 2008 to £429,000 in 2009) and loss after tax fell 39% (from £882,000 in 2008 to £535,000 in 2009). This significant progress was made against a small rise in sales, up 1% to £7.0m (2008: £6.9m).

Our new finance team has worked hard during this turbulent year to optimise our business processes and the improved performance, while sales remain almost unchanged, reflects solid achievement in this area. Overall the Group has had a strong year against one of the harshest economic backdrops in living memory.

Strategy

A strategy is meant to be a long term plan and I'm happy to say ADVFN's strategy remains, at the year end, the same as it was at the time of the last statement. "...to build ADVFN internationally as the leading destination for private investors looking for information and to generate revenue from advertising sales and subscription products.

We are always working to enhance the service and create new technologies to keep the site fresh, while localising the platform for new markets. By innovation we try to create bundled products that give private investors information of a professional quality at a keen price. Where possible we work directly with our advertisers in a long term relationship to help them meet the needs of their marketing and business plans by tailoring our advertising opportunities.

The ADVFN website is a significant technological achievement, a scalable platform streaming financial data from around the world 24/7/365. It is built to be able to grow to meet increasing demand, an important feature in today's tumultuous markets where demand for data and the supply of it from the markets has grown immensely. This architecture has allowed us to grow without expending huge amounts on new equipment, a key factor in our growth. Our ability to develop and maintain state of the art software has allowed us to grow overseas and so while we are the major player in this market niche in the UK, we can look to the rest of the world for growth.

While still the mainstay of our income, the UK now only represents 18% of our website traffic, which has been an important strategic development in the last couple of years. This alone suggests that the potential for revenue growth is significant and that becoming less dependent on the local UK market puts us in a strong position in the current gloomy economic climate".

We think that our strategic consistency is one of the main reasons why we have been so fortunate in the current hard times. As we have a long term focus, our income streams have a built in resilience. This has been key to our success. Our long term approach turns out to be a good policy for hard times. Riding out another crash validates our strategy and we will continue with it. Meanwhile our US sites, ADVFN US and Investors Hub are growing well.

Turnover

Our turnover has continued to grow for the 9th consecutive year. While sales have only achieved growth of 1%, this is still a great achievement considering the economic meltdown of the world economy during this period.

Operating Costs

We have focused on our costs this year and have chosen to be quite defensive. We have curtailed our hiring and we have reengineered our content offerings and our marketing to try and drive our cost base down. The straightened times have helped us in this and our overall performance has been enhanced by our new finance team through this process.

Research and Development

We 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 and much of our cost base is effectively focused on developing products markets for the future.

Environmental policy

The company as a whole continues to look for ways to develop our environmental policy. It is our objective to improve our performance in this area.

Cash

In these post credit crunch times shareholders look to our cash balances for reassurance. This was £1,509,000 at the end of the year down just £82,000 on the year before. (£1,591,000 2008) This strong overall improvement reflects strong subscription growth, counterbalanced by mild advertising weakness with a drop in performance from Equity Development.

Summary of key performance indicators

	2009 Actual	2009 Target	2008 Actual	2008 Target
Average head count	48	50	54	55
ADVFN registered users	1.72M	1.6M	1.44M	1.2M

With the harsh economic environment informing our development we have been less aggressive in replacing staff losses than in the past and as a result have reduced our headcount below target. Meanwhile the key metric of registration to ADVFN has come in well ahead of target helped by the very economic conditions that have seen us hire more cautiously.

Future outlook for the business

Our strategy remains the same; to grow ADVFN internationally. This year has seen the most turbulent period for the UK and world economy in living memory. On balance this has done us no harm, a happy circumstance when compared to most businesses. This alone makes us very optimistic for the future. Given that we have survived the last 12 months, we should be well placed to flourish in any future recovery.

Our US activity is now growing strongly, the US and Brazil are performing well and the minor territories continue to show promise. Equity Development, whilst having a tough period, looks to have reached the base for a recovery. Meanwhile the acquisition of ALL IPO (in July 2009) not only simplifies ADVFN’s corporate structure, its personnel and technology provide a solid opportunity to broaden the ADVFN platform. While the future of the market and the economy is uncertain it seems that ADVFN looks set for another year of progress and organic growth.

Principal risks and uncertainties

The management of the business 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.

Economic downturn

While it appears that torrid times in the stock market may not have a detrimental effect on subscriptions, overall economic strength does affect our advertising revenue. While currently subscription income is making up for advertising weakness, it is possible that this may not be the case under certain instances and that however well the company has overcome recent difficult times, in volatile global economic times it is not inconceivable that ADVFN could be adversely affected. As such the senior management are constantly looking to our weaknesses and threats to try to minimise potential downsides.

High proportion of fixed overheads and variable revenues

A major 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 are implemented on a constant review basis. We have had a strong period of cost optimisations since our finance function was reorganised.

Product obsolescence

The technology that we use and develop is always in flux. Products are subject to technological change and advance and resultant obsolescence. We are constantly innovating to keep up with growing demand, change in product and new developments both at a technical and a marketing level. The directors are committed to the Research and Development strategy in place, and are confident that the company is able to react effectively to the developments within the market.

Fluctuations in currency exchange rates

A growing proportion of our turnover relates to overseas operations. As a company, we are therefore exposed to foreign currency fluctuations. The company manages its foreign exchange exposure on a net basis, and if required uses forward foreign exchange contracts and other derivatives/financial instruments to reduce the exposure. Currently hedging is not employed. If currency volatility was extreme and hedging activity did not mitigate the exposure, then the results and the financial condition of the company might be adversely impacted by foreign currency fluctuations.

People

We have a very dedicated team that is focused on creating the best possible service we can provide. I would like to thank them all for the hard work and dedication over the past year.

Clem Chambers

Managing Director

30th September 2009

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 30 June 2009.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group is the development and provision of financial information primarily via the internet and the development and exploitation of ancillary internet sites. A review of the business as required by the Companies Act 2006 has been provided within the Chief Executive's Statement on pages 4 to 6.

RESULTS

The loss for the financial year amounted to £535,000 (2008: £882,000). The directors are unable to propose the payment of a dividend (2008: nil).

DIRECTORS

The directors holding office throughout the year are set out below:
M J Hodges
D J Crump (resigned October 2008)
C H Chambers
J B Mullins
R J Negus
R A Emmet

R A Emmet and J B Mullins retire by rotation and being eligible, offer themselves for re-election. The directors' interests in the shares of the company are shown in the Remuneration Report.

Biographic details

Michael Hodges*, aged 46, Chairman*
Michael Hodges has over 22 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 and ADVFN plc. He is currently Chairman of On-line plc and ADVFN.

Clement Chambers *aged 46, Managing Director*
Co-founder of On-line, Clement Chambers has been involved in the software industry for over 22 years, primarily as a publisher of computer games entertainment software. He is also a director of On-line plc.

Jonathan Mullins*, aged 39, Technical Director and Chief Financial Officer*
Jonathan Mullins has been involved in the development of a wide variety of on-line and internet services for over 12 years. He has been responsible for the entire technical department of ADVFN and has overseen the growth of the web site since its early days, including the development of the proprietary streaming service.

Ray Negus, *aged 56, Sales Director*
Ray Negus has over 30 years experience of sales and advertising including 10 years with the Birmingham Post and Mail and 10 years with NEWSCOM PLC where he held the position of Group Sales and Marketing Manager prior to joining ADVFN in January 2000.

Robert Emmet*, aged 51, Non-executive Director*
Robert Emmet, is a Chartered Accountant who qualified with Ernst and Young before joining Hoare Govett. He worked in corporate finance for a number of years before joining Auspex, a Silicon Valley company manufacturing high availability fileservers. Over the last 10 years he has worked in recruitment, and is currently with Edward Hunter Associates Limited, an executive search consultancy.

REPORT OF THE DIRECTORS (continued)

SUBSTANTIAL SHAREHOLDERS

At 2 September 2009 the directors were aware of the following shareholding in excess of 3% of the Company's issued share capital:

	Shareholding	%
On-Line Plc	114,300,000	17.97%
Peter O'Reilly	53,422,333	8.40%
FMR Corp. (Fidelity)	27,763,630	4.36%
Guy Thomas	23,850,000	3.75%
Ron Izaki	20,316,667	3.19%

DONATIONS

There were no charitable or political donations.

FINANCIAL INSTRUMENTS

The details of the financial instruments held by the Group are disclosed in note 19.

RESEARCH AND DEVELOPMENT

Expenditure during the year amounted to £783,000 (2008: £815,000)

PAYMENT POLICY AND PRACTICE

It is the Group's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them. Company trade creditors represented 97 days (2008: 57 days).

FINANCIAL RISK MANAGEMENT

Information relating to the group's financial risk management is detailed in note 27 to the financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

On 22 July 2009 ADVFN plc acquired the remaining issued share capital of ALL IPO plc. For details please refer to note 30.

DIRECTORS' RESPONSIBILITIES FOR THE GROUP FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the Group 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 International Financial Reporting Standards as adopted by the European Union (IFRS's). The financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group 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 International Financial Reporting Standards as adopted by the European Union 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 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.

In so far as the directors are aware:

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

AUDITORS

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.

ON BEHALF OF THE BOARD

Michael Hodges
Chairman
30 September 2009

REMUNERATION REPORT

Directors' emoluments

	Salary & fees £'000	Benefits in kind £'000	Annual bonus £'000	2009 Total £'000	2009 Pension £'000	2008 Total £'000	2008 Pension £'000
Executive directors							
M J Hodges	166	2	-	168	12	165	12
C H Chambers	215	1	-	216	12	214	12
J B Mullins	104	1	-	105	-	108	-
R J Negus	164	-	-	164	-	119	-
Non-executive directors							
R A Emmet	15	-	-	15	-	17	-
	664	4	-	668	24	623	36

On 11 March 2009 Mr R Negus exercised options over 333,333 ordinary shares at a price of 1.25 pence per share. The gain made on this exercise amounted to £920.

Remuneration policy for executive directors

The company's policy on executive director remuneration is to:

- attract and retain high quality executives by paying competitive remuneration packages relevant to each director's role, experience and the external market. The packages include employment related benefits including contributions to private pension plans;
- incentivise directors to maximise shareholder value through share options which are granted at an exercise price at the market price at date of grant are normally exercisable for a period of 7 years and lapse if an employee leaves

Service contracts

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

No director had either during or at the end of the year a material interest in any contract which was significant in relation to the company's business.

Directors' interests in shares

The interests of the directors and their families in the shares of the company at 1 July 2008 and 30 June 2009 were as follows:

	30 June 2009 No of Shares	1 July 2008 No of Shares	**30 June 2009 No of options**	1 July 2008 No of options
M J Hodges	-	-	5,500,000	5,500,000
C H Chambers	6,253,846	6,253,846	9,500,000	9,500,000
J B Mullins	464,444	464,444	5,000,000	5,000,000
R J Negus	1,000,000	666,666	5,833,334	6,166,667
R A Emmet	50,000	50,000	3,500,000	3,500,000

REMUNERATION REPORT (continued)

Re-dating of options on 8 July 2008

Certain ADVFN directors hold 8,500,000 options which were exercisable at below market price, and expire between June 2009 and February 2010. In order to avoid shareholder dilution, those directors agreed that they would waive the existing rights that they had to exercise those options and amended the terms of the options such that they now become exercisable on 10 June 2011 (subject to normal caveats regarding becoming exercisable prior to that on certain eventualities, for example death of the director or takeover of the Company) and expire on 10 June 2018.

The exercise prices remain the same.

Details are as follows (all options expire on 10 June 2018).

C H Chambers
4,000,000 at 1.75p previously exercisable 10 June 2009, now locked up until 10 June 2011
1,000,000 at 1.25p previously exercisable 18 Feb 2010, now locked up until 10 June 2011

M J Hodges
1,000,000 at 1.75p previously exercisable 10 June 2009, now locked up until 10 June 2011
1,000,000 at 1.25p previously exercisable 18 Feb 2010, now locked up until 10 June 2011

J B Mullins
500,000 at 1.75p previously exercisable 10 June 2009, now locked up until 10 June 2011
1,000,000 at 1.25p previously exercisable 18 Feb 2010, now locked up until 10 June 2011

Independent auditor's report to the members of ADVFN plc

We have audited the group financial statements of ADVFN plc for the year ended 30 June 2009 which comprise the consolidated income statement, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 9, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the group 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 APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 30 June 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; 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 Directors' Report for the financial year for which the group financial statements are prepared is consistent with the group 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:

- 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.

Other matter

We have reported separately on the parent company financial statements of ADVFN plc for the year ended 30 June 2009

Stephen P.S. Weatherseed
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
Gatwick
30 September 2009

Consolidated income statement

	Notes	12 months to 30 June 2009 £'000	12 months to 30 June 2008 £'000
Revenue	3	7,034	6,931
Cost of sales		(456)	(640)
Gross profit		6,578	6,291
Share based payment	24	(31)	(90)
Amortisation of intangible assets	13	(962)	(1,087)
All other administrative expenses		(6,111)	(6,422)
Total administrative expenses		(7,104)	(7,599)
Profit on disposal of assets	26	97	-
Operating loss	4	(429)	(1,308)
Finance income	7	12	57
Finance expense	8	(11)	(17)
Result from associates after taxation	15	(282)	(221)
Loss before tax		(710)	(1,489)
Taxation	9	175	775
Loss for the period from continuing operations		(535)	(714)
Loss for the period from discontinued operations	15	-	(168)
		(535)	(882)
Loss per share – from continuing operations			
Basic and diluted (pence per share)	10	(0.09)	(0.12)
Loss per share – from continuing and discontinued operations			
Basic and diluted (pence per share)	10	(0.09)	(0.15)

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

Consolidated balance sheet	Notes	30 June 2009 £'000	30 June 2008 £'000
Assets			
Non-current assets			
Property, plant and equipment	11	92	187
Goodwill	12	1,590	1,590
Intangible assets	13	2,297	2,577
Investments in associates	15	905	1,187
Trade and other receivables	17	204	182
		5,088	5,723
Current assets			
Trade and other receivables	17	977	1,019
Current tax recoverable		65	163
Other financial assets (available for sale)	19	32	67
Cash and cash equivalents	20	1,509	1,591
		2,583	2,840
Total assets		7,671	8,563
Equity and liabilities			
Equity			
Issued capital	23	6,156	5,932
Share premium		7,758	7,710
Shares to be issued		-	249
Merger reserve		221	221
Share based payment reserve		456	425
Foreign exchange reserve		(18)	-
Retained earnings		(8,789)	(8,254)
		5,784	6,283
Non-current liabilities			
Deferred tax	16	314	425
Borrowings - obligations under finance leases	22	11	31
		325	456
Current liabilities			
Trade and other payables	21	1,533	1,771
Borrowings - obligations under finance leases	22	29	53
		1,562	1,824
Total liabilities		1,887	2,280
Total equity and liabilities		7,671	8,563

The financial statements on pages 13 to 41 were authorised for issue by the Board of Directors on 30 September 2009 and were signed on its behalf:

Clem Chambers
Managing Director

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

Consolidated statement of changes in equity

	Share capital	Share premium	Shares to be issued	Merger reserve	Share based payment reserve	Foreign exchange reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 July 2007	5,870	7,600	332	221	335	(92)	(7,372)	6,894
Disposal of interest in associate	-	-	-	-	-	92	-	92
Net income recognised directly in equity	-	-	-	-	-	92	-	92
Loss for the period after tax	-	-	-	-	-	-	(882)	(882)
Total recognised income and expense						92	(882)	(790)
Issue of shares	62	110	(83)	-	-	-	-	89
Equity settled share options	-	-	-	-	90	-	-	90
At 30 June 2008	5,932	7,710	249	221	425	-	(8,254)	6,283
Exchange differences on translation of foreign operations	-	-	-	-	-	(18)	-	(18)
Net income recognised directly in equity	-	-	-	-	-	(18)	-	(18)
Loss for the period after tax	-	-	-	-	-	-	(535)	(535)
Total recognised income and expense	-	-	-	-	-	(18)	(535)	(553)
Issue of shares	224	48	(249)	-	-	-	-	23
Equity settled share options	-	-	-	-	31	-	-	31
At 30 June 2009	6,156	7,758	-	221	456	(18)	(8,789)	5,784

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

Consolidated cash flow statement

	Notes	12 months to 30 June 2009 £'000	12 months to 30 June 2008 £'000
Cash flows from operating activities			
Loss for the period before tax		(710)	(1,489)
Net finance income in the income statement	7, 8	(1)	(40)
Results for associates	15	282	221
Depreciation of property, plant & equipment	11	108	173
Amortisation	13	962	1,087
Gain on disposal of property, plant and equipment		(97)	-
Impairment of financial assets		35	5
Share based payments	24	31	90
Decrease / (increase) in trade and other receivables	17	20	(53)
(Decrease) / increase in trade and other payables	21	(238)	209
Net cash generated from operations		392	203
Interest paid	8	(11)	(17)
Income tax receivable		162	783
Net cash generated by operating activities		543	969
Cash flows from investing activities			
Interest received	7	12	57
Payments for property plant and equipment		(22)	(62)
Purchase of intangibles	13	(682)	(811)
Disposal of interest in associates	15	-	132
Disposal of assets		106	-
Net cash used in investing activities		(586)	(684)
Cash flows from financing activities			
Proceeds from issue of equity shares		23	9
Issue costs		-	-
Loans repaid (finance leases)		(44)	(61)
Net cash generated by financing activities		(21)	(52)
Net (decrease)/ increase in cash and cash equivalents		(64)	233
Exchange differences		(18)	-
Total (decrease)/ increase in cash and cash equivalents		(82)	233
Cash and cash equivalents at the start of the period		1,591	1,358
Cash and cash equivalents at the end of the period	20	1,509	1,591

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

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The principal activity of ADVFN PLC (“the Company”) and its subsidiaries (together “the Group”) is the development and provision of financial information, primarily via the internet and the development and exploitation of ancillary internet sites.

The principal trading subsidiaries are Equity Holdings Ltd, Equity Development Ltd, InvestorsHub.com Inc. and Cupid Bay Ltd.

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.

The registered number of the company is 2374988.

2. Summary of significant accounting policies

Basis of preparation

The consolidated financial statements are for the year ended 30 June 2009. They have been prepared in compliance with International Financial Reporting Standards (IFRSs) and International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted by the European Union as at 30 June 2009. The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments.

Going concern

The financial statements have been prepared on the going concern basis which assumes the Group will continue in existence for the foreseeable future. The directors, having considered the latest Group forecasts together with the cash resources available to them, believe it is appropriate for the financial statements to be prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group in the 30 June 2009 financial statements
At the date of authorisation of these financial statements, certain new Standards, amendments and Interpretations to existing standards have been published but are not yet effective. The Group has not early adopted any of these pronouncements. The new Standards, amendments and Interpretations that are expected to be relevant to the Group's financial statements are as follows:

IAS 1 Presentation of Financial Statements (Revised 2007) (effective for reporting periods beginning on or after 1 January 2009)
This amendment affects the presentation of owner changes in equity and introduces a statement of comprehensive income. Preparers will have the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of other comprehensive income). This amendment does not affect the financial position or results of the Group but will give rise to additional disclosures. Management is currently assessing the detailed impact of this amendment on the Group's financial statements.

IAS 23 (Revised) Borrowing Costs (effective for accounting periods beginning on or after 1 January 2009)
The option to recognise immediately as an expense the borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale is removed. All borrowing costs thus arising must therefore be capitalised.

Amendment to IAS 27 Consolidated and Separate Financial Statements (Revised 2008) (effective 1 July 2009)
IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control. They will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss.

Amendment to IFRS 2 Share based payment – Vesting Conditions and Cancellations (effective 1 January 2009)
This amendment to IFRS 2, 'Share-based payment ' clarifies that only service conditions and performance conditions are vesting conditions. All other features need to be included in the grant date fair value and do not impact the number of awards expected to vest or the valuation subsequent to grant date. The amendment also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment and this will impact among others the accounting for SAYE and matching share plans.

IFRS 3 (Revised) Business combinations (effective for combinations on or after 1 July 2009)
The revised Standard introduces significant changes to the accounting requirements for business combinations, transactions with non-controlling interests (i.e. minority interest) and the loss of control of a subsidiary.

IFRS 8 Operating segments (effective for reporting periods beginning on or after 1 January 2009)
This IFRS specifies how an entity should report information about its operating segments in its financial statements. Generally, financial information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Implementation of this standard is expected to increase the number of reportable segments as well as the manner in which the segments are reported i.e. in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated to groups of cash generating units based on segment level, the change will also require the reallocation of goodwill to the newly identified operating segments. Management does not anticipate that this will result in any material impairment of goodwill.

Management anticipate that all the above pronouncements will be adopted in the Group's financial statements for the period beginning 1 July 2009.

The following standards and interpretations are in issue but are not relevant to the Group or Company's financial statements:

IFRIC 11 – IFRS 2 Group and Treasury share transactions (effective 1 March 2007)

IFRIC 12 – Service concession arrangements (effective 1 January 2008)

IFRIC 13 – Customer Loyalty Programmes (effective 1 July 2008)

IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective 1 January 2008)

IFRIC 15 – Agreements for the Construction of Real Estate (effective 1 January 2009)

IFRIC 16 – Hedges of a Net Investment in a Foreign Operation (effective 1 October 2008)

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Consolidation
Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of over one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated on the date control ceases.

Inter-company transactions, balances and unrealised gains and losses (where they do not provide evidence of the asset transferred) on transactions between Group companies are eliminated.

Business combinations
The Group uses the purchase method of accounting for the acquisition of a subsidiary. The cost of an acquisition is measured by the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired the difference is recognised directly in the income statement.

Investments in associates
An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Foreign currency translation

a) Functional and presentational currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Company's functional currency and the Group's presentational currency is Sterling.

b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

c) Group companies
The results and financial position of all Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each income statement are translated at the rate of exchange at the transaction date. Where this is not possible, the average rate for the period is used and;
- On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to a separate component of equity. Post transition exchange differences are recycled to the income statement upon disposal of the foreign operation.

Income and expense recognition

Revenue is the fair value of the total amount receivable by the Group for supplies of products as principal and for services. Subscription and advertising income is recognised over the period in which the service is provided. VAT or similar local taxes and trade discounts are excluded.

Interest income and expenditure are reported on an accruals basis. Dividends received, other than those from investments in associates, are recognised at the time of their distribution. Operating expenses are recognised in the income statement upon utilisation of the service or at the date of their origin.

Employee benefits

The cost of pensions in respect of the Group's defined contribution scheme is charged to the income statement in the period in which the related employee services were provided.

Intangible assets

- Licences

Licences are recognised at cost less any subsequent impairment and amortisation charges, they are amortised over a five year period on a straight line basis.

- Goodwill

Goodwill is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised as an intangible asset and allocated to cash generating units (with separately identifiable cash flows) and is subject to impairment testing on an annual basis or more frequently if circumstances indicate that the asset may have been impaired.

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

- Internally generated intangible assets
An internally generated intangible asset arising from development (or the development phase) of an internal project is recognised if, and only if, all of the following have been demonstrated:

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

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to the income statement in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles not yet in use are subject to annual impairment testing.

Internally generated intangible assets are amortised over three years.

Research expenditure is recognised as an expense in the period in which it is incurred.

- Intangible assets acquired as part of a business combination
Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date. All intangible assets acquired through business combination are amortised over their useful lives estimated at 10 years.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses.

Property, plant and equipment
Property, plant and equipment are recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided using the straight line method to write off the cost of the asset less any residual value over its useful economic life. The residual values of assets are reviewed annually and revised where necessary. Assets' useful economic lives are as follows:

Leasehold improvements	The shorter of the useful life of the asset or the term of the lease
Computer equipment	33% per annum
Office equipment	20% per annum

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Impairment
For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. As a result some assets are tested individually for impairment and some are tested at cash-generating unit level.

Goodwill, other individual assets or cash-generating units that include goodwill, other intangible assets with an indefinite useful life and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Financial assets
Financial assets consist of cash, loans and receivables, other financial assets available for sale and financial instruments at fair value through profit or loss. Financial assets are assigned to their different categories by management on initial recognition, depending on the purpose for which the investment was acquired.

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 Group 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.

Investments
Current asset investments are classified as ‘available for sale’ as they are held for short term investment only and are intended to be realised within one year of the balance sheet date. They are measured at fair value with gains and losses arising on their fair value being included directly in equity. Listed investments are stated at bid prices.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Interest and other cash flows resulting from holding financial assets are recognised in profit and loss when received, regardless of how the related carrying amount of financial assets is measured.

Financial liabilities
The group’s financial liabilities include trade and other payables.

Financial liabilities are recognised when the Group 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.

Dividend distributions to shareholders are included when the dividends are approved by the shareholders’ meeting.

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Leases
Where the Group retains substantially all the risks and rewards of ownership of an asset subject to a lease, the lease is treated as a finance lease. Other leases are treated as operating leases. Future instalments payable under finance leases net of finance charges are included in creditors with the corresponding asset values recorded in property, plant and equipment and depreciated over the shorter of their estimated useful lives or their lease terms. Lease payments are apportioned between the finance element, which is charged to the income statement as interest, and the capital element, which reduces the outstanding obligation for future instalments.

Payments under operating leases are charged to the income statement on a straight line basis over the lease term.

Income taxes
Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement unless the tax relates to an item taken directly to equity in which case the tax is also taken directly to equity.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets such as those resulting from assessing deferred tax on the expense of share based payments, are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Cash and cash equivalents
Cash and cash equivalents include cash at bank and in hand.

Provisions, contingent liabilities and contingent assets
Other provisions are recognised when the present obligations arising from legal or constructive commitment resulting from past events, will probably lead to an outflow of economic resources from the Group which can be estimated reliably.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Share based employee compensation
The Group operates equity settled share based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are reallocated to share capital with any excess being recorded as additional share premium.

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Equity

Issued 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.

Shares to be issued
Shares to be issued consist of shares potentially issuable under the deferred consideration payable for the acquisition of Equity Holdings Ltd.

Merger reserve
The merger reserve results from shares issued on the acquisition of Equity Holdings Ltd.

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

Foreign exchange reserve
The foreign exchange reserve represents foreign exchange gains and losses arising on translation of investments in overseas subsidiaries into the consolidated financial statements.

Retained earnings
The retained earnings include all current and prior period results for the Group and the post acquisition results of the Group's subsidiaries as determined by the income statement.

Dividends

Final equity dividends to the shareholders of ADVFN plc are recognised in the period that they are approved by shareholders. Interim equity dividends are recognised in the period that they are paid.

Dividends receivable are recognised when the Company's right to receive payment is established.

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

a) Capitalisation of research and development costs in accordance with IAS 38 requires analysis of the technical feasibility and commercial viability of the project in the future. This in turn requires a long term judgement to be made about the development of the industry in which the development will be marketed (Note 13).
b) Judgement is required in determining the provision for income taxes. There are many transactions and calculations whose ultimate tax treatment is uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes are likely to be due. The Group recognises deferred tax assets and liabilities based on estimates of future taxable income and recoverability. Where a change in circumstance occurs, or the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax balances in the year in which that change or outcome is known.
c) The directors have used their judgement to decide whether the Group should be treated as a going concern and continue in existence for the foreseeable future. Having considered the latest Group forecasts together with the cash resources available to them, the Directors have judged that it is appropriate for the financial statements to be prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

2. Summary of significant accounting policies (continued)

Sources of estimation uncertainty

a) Depreciation rates are based on estimates of the useful lives and residual values of the assets involved. The carrying value of 'Property, plant and equipment' is £187,000 (Note 11).
b) Estimates of future profitability for the decision whether or not to create a deferred tax asset.
c) Estimates as to asset carrying values and impairment charges.
d) Determining whether goodwill and related intangible assets are impaired requires an estimation of the value in use of the cash generating unit to which the goodwill or intangible assets have been allocated. This value in use calculation requires an estimation of the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate a suitable present value.
e) On acquisition of subsidiaries, the Group recognises intangible assets. This requires estimates to be made regarding the valuation methodology, expected useful life and discount rates to be applied. In addition, a number of estimates are used in calculating fair value and amortisation charges in respect of these assets.

3. Segmental analysis

The Group has a single class of business; that of developing and providing financial information primarily via the internet. The directors therefore consider that the Group's primary format for reporting segmental information is geographical by location of assets as this is the dominant source of the Group's risks and rewards. The Group also provides segmental information by the geographical location of its customers.

2009 **Segmental analysis by location of assets**	UK £'000	The Americas £'000	Rest of the World £'000	Total £'000
Revenue from external customers (rendering of services)	6,544	490	-	7,034
Loss for the period	(296)	(239)	-	(535)
Assets	5,873	1,798	-	7,671
Liabilities	1,141	746	-	1,887
Capital expenditure	15	7	-	22
Depreciation of property, plant and equipment	92	16	-	108
Amortisation of intangibles	810	152	-	962
Share of results of associates	(282)	-	-	(282)
Aggregate investment in associates	905	-	-	905

2008 **Segmental analysis by location of assets**	UK £'000 Continuing	The Americas £'000 Continuing	Rest of the World £'000 Discontinued	Total £'000
Revenue from external customers (rendering of services)	6,410	521	-	6,931
Loss for the period	(466)	(248)	(168)	(882)
Assets	6,531	2,032	-	8,563
Liabilities	1,827	453	-	2,280
Capital expenditure	880	33	-	913
Depreciation of property, plant and equipment	110	63	-	173
Amortisation of intangibles	935	152	-	1,087
Share of results of associates	(221)	-	(168)	(389)
Aggregate investment in associates	1,187	-	-	1,187

Discontinued operations relate solely to ADVFN Japan K.K., an associated entity. The group's interest in ADVFN Japan was sold during the year to 30 June 2008.

NOTES TO THE FINANCIAL STATEMENTS

The following geographical segments are based on an analysis of revenue by the location of the Group's customers:

Revenue	2009 £'000	2008 £'000
UK - Continuing	4,840	5,141
The Americas	1,702	1,486
Rest of the world - continuing	492	-
Rest of the world - discontinued	-	304
	7,034	6,931

4. Operating loss

Operating loss has been arrived at after charging / (crediting):	2009 £'000	2008 £'000
Foreign exchange gain	32	18
Depreciation and amortisation:		
Depreciation of property plant and equipment:		
Owned	64	130
Held under finance leases	44	43
Amortisation of intangible assets	962	1,087
Employee costs (Note 6)	2,726	3,162
Lease payments on land and buildings held under operating leases	195	222
Expenditure on Research and Development	783	815
Audit and non-audit services:		
Fees payable to the company's auditor for the audit of the Company's annual accounts	22	34
Fees payable to the Company's auditor and its associates for other services:		
For the audit of the company's subsidiaries pursuant to legislation	13	16
Other services pursuant to legislation	24	37
For tax services	8	8

5. Remuneration of key senior management

Key senior management comprises only directors.	2009 £'000	2008 £'000
Short term employee benefits	713	779
Share based payments	28	62
Post employment benefits - defined contribution pension plans	29	36
	770	877

Details of the directors' emoluments, together with other related information, are set out on pages 10 and 11.

NOTES TO THE FINANCIAL STATEMENTS

6. Employees

	2009 £'000	2008 £'000
Employee costs (including directors):		
Wages and salaries	2,407	2,747
Social security costs	236	281
Pension costs	36	44
Share based payments	47	90
	2,726	3,162

The average number of employees during the year was made up as follows:

Development	33	39
Sales and Administration	15	15
	48	54

7. Finance income

	2009 £'000	2008 £'000
Interest receivable on bank deposits	12	57
	12	57

8. Finance costs

	2009 £'000	2008 £'000
Interest expense on overdrafts and loans	-	2
Finance charges on finance leases	11	15
	11	17

NOTES TO THE FINANCIAL STATEMENTS

9. Income tax expense

	2009 £'000	2008 £'000
Current Tax:		
UK corporation tax on profits for the year	(65)	(169)
Adjustments in respect of prior periods	-	(510)
Total current taxation	(65)	(679)
Deferred tax	(110)	(96)
Taxation	(175)	(775)

The tax assessed for the year is different from the standard rate of corporation tax as applied in the respective trading domains where the Group operates. The differences are explained below:

	2009 £'000	2008 £'000
Loss before tax	(710)	(1,657)
Loss before tax multiplied by the respective standard rate of corporation tax applicable in the UK (28%) (2008: 29.5%)	(199)	(489)
Effects of:		
Utilisation of losses	60	(40)
Non-deductible expenses	238	189
Enhanced Research & Development expenditure	(324)	(130)
Surrender of tax losses for R & D tax credit	46	143
Schedule 23 deduction	(1)	(2)
Unprovided deferred tax resulting from:		
-the origination and reversal of temporary differences	(5)	(1)
-tax losses arising in the period	-	29
-depreciation in excess of capital allowances	10	36
Adjustments in respect of prior periods	-	(510)
Tax (credit) for the year	(175)	(775)

NOTES TO THE FINANCIAL STATEMENTS

10. Loss per share

From continuing operations:	12 months to 30 June 2009 £'000	12 months to 30 June 2008 £'000
Loss for the year attributable to equity shareholders	(535)	(882)
Adjustments to exclude loss for the period from discontinued operations	-	168
Loss for the year from continuing operations attributable to equity shareholders	(535)	(714)
Loss per share from continuing operations		
Basic loss per share (pence)	(0.09)	(0.12)
Diluted loss per share (pence)	(0.09)	(0.12)
Loss per share from discontinued operations		
Basic loss per share (pence)	-	(0.03)
Diluted loss per share (pence)	-	(0.03)
	Shares	Shares
Issued ordinary shares at start of the year	593,192,435	586,979,305
Ordinary shares issued in the year (Note 23)	22,376,466	6,213,130
Issued ordinary shares at end of the year	615,568,901	593,192,435
Weighted average number of shares in issue for the year.	605,430,000	591,468,000
Dilutive effect of options	-	-
Weighted average shares for diluted earnings per share	605,430,000	591,468,000

The diluted loss per share does not differ from the basic loss per share as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33.

NOTES TO THE FINANCIAL STATEMENTS

11. Property, plant and equipment

	Leasehold property improvements	Computer equipment	Office equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 July 2007	68	896	131	1,095
Additions	-	93	9	102
At 30 June 2008	68	989	140	1,197
Disposal	-	(27)	-	(27)
Additions	-	20	2	22
At 30 June 2009	68	982	142	1,192
Depreciation				
At 1 July 2007	40	685	112	837
Charge for the year	12	152	9	173
At 30 June 2008	52	837	121	1,010
Disposal	-	(18)	-	(18)
Charge for the year	10	92	6	108
At 30 June 2009	62	911	127	1,100
Net book value				
At 30 June 2009	6	71	15	92
At 30 June 2008	16	152	19	187

The cost of property, plant and equipment held under finance leases is £125,000 (2008: £125,000); accumulated depreciation is £107,000 (2008: £78,000) giving a net book value of £18,000 (2008: £47,000). Finance charges included in lease payments made during the year amounted to £11,000 (2008: £15,000).

NOTES TO THE FINANCIAL STATEMENTS

12. Goodwill

	£'000
At 1 July 2007	1,510
Additions	80
At 30 June 2008	1,590
Additions	-
At 30 June 2009	1,590

The goodwill carried in the balance sheet is attributable to the following:

	£'000
InvestorsHub.com Inc.	657
Equity Holdings Ltd	933
	1,590

The Group tests goodwill annually for impairment or more frequently if there are indications that it might be impaired. The recoverable amounts are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding discount rates, growth rates and expected changes to selling prices and direct costs during the period.

For the purposes of the impairment testing of goodwill the directors have recognised two cash generating units (CGUs) in InvestorsHub.com Inc and Equity Holdings Limited. The recoverable amount for the CGUs was determined based on a value in use calculation, based upon management forecasts for the trading results of those entities for the two years ending 30 June 2011, extended to reflect the remaining useful economic life of the intangible assets presented above which is approximately 6.5 and 7.25 years for Equity Holdings Limited and InvestorsHub.com Inc. respectively. The directors consider that the remaining useful economic lives remain appropriate. Cash flows beyond the period covered by management forecasts have been estimated by assuming a growth rate of 13.5% and nil for Equity Holdings Limited and InvestorsHub.com Inc. respectively. The high growth rate takes account of the fall in the current cash flows and envisages a recovery to the previously forecast trend of growth. A discount rate of 10% has been used for both income generating units which reflects the Group's estimated weighted average cost of capital. Within the value in use model utilised for InvestorsHub.com Inc. an average exchange rate of $1.64/£ has been assumed. The value in use calculations indicate that InvestorHub.com Limited has a recoverable amount which is £428,000 greater than its carrying amount. The exchange rate utilised within the forecasts would have to rise to $2.14/£ to reduce the recoverable amount to its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

13. Other intangible assets

	Licences	Brands & subscriber lists	Website development costs	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 July 2007	1,300	1,522	3,025	5,847
Additions	-	-	811	811
At 30 June 2008	1,300	1,522	3,836	6,658
Additions	-	-	682	682
At 30 June 2009	1,300	1522	4,518	7,340
Amortisation				
At 1 July 2007	1,300	114	1,580	2,994
Charge for the year	-	152	935	1,087
At 30 June 2008	1,300	266	2,515	4,081
Charge for the year	-	152	810	962
At 30 June 2009	1,300	418	3,325	5,043
Net book value				
At 30 June 2009	-	1,104	1,193	2,297
At 30 June 2008	-	1,256	1,321	2,577

Brands and subscriber lists intangible assets are allocated to the InvestorsHub.com Limited CGU and subjected to an annual impairment review as set out in note 12 above. Website development costs are internally generated and primarily consist of capitalised wages and salaries expense.

14. Subsidiary companies consolidated in these accounts

	Country of incorporation	% interest in ordinary shares at 30 June 2009	Principal activity
Equity Holdings limited	England & Wales	100.00%	Holding Company
Equity Development Limited	England & Wales	100.00%	Research services
Cupid Bay Limited	England & Wales	100.00%	Internet dating web site
Fotothing Limited	England & Wales	100.00%	Dormant
InvestorsHub.com Limited	USA	100.00%	Financial information web site
ADVFN Brazil Limited	England & Wales	100.00%	Dormant
E O Management Limited	England & Wales	100.00%	Dormant
Throgmorton Street Capital Limited	England & Wales	100.00%	Dormant

NOTES TO THE FINANCIAL STATEMENTS

15. Investments in associates

	Country of incorporation	% interest in ordinary shares at 30 June 2009	Principal activity
ALL IPO Plc	England & Wales	37.07%	IPO information web site

	£'000
At 1 July 2007	1,595
Share of associates' losses	(297)
Disposal of ADVFN Japan K.K.	(111)
At 30 June 2008	1,187
Share of associate's losses	(282)
At 30 June 2009	905

On 22 July 2009 ADVFN Plc. acquired the remaining share capital of ALL IPO Plc. For the details of this acquisition after the balance sheet date please refer to note 30.

On 30 November 2007 ADVFN Japan K.K., a company incorporated in Japan ceased trading and was liquidated. During the year to the date of closure the Group's share of the loss attributable to ADVFN Japan K.K. amounted to £76,000. The Group received £132,000 and made no gain or loss on the closure of ADVFN Japan K.K.

A reconciliation of the Group's share of the results from associates is shown below:

	2009 £'000	2008 £'000
ALL IPO Plc	282	221
ADVFN Japan	-	76
Reversal of foreign exchange difference relating to ADVFN Japan	-	92
At 30 June	282	389

Interests in associates at net book value include:

	2009 £'000	2008 £'000
Listed investments	905	1,187
Listed investments at market value	158	155

Summarised information for ALL IPO plc is set out below:

	2009 £'000	2008 £'000
Revenues	187	181
Loss for the period	(524)	(523)
Total assets	2,517	3,035
Total liabilities	(62)	(95)
At 30 June	2,455	2,940

The directors have considered the carrying value of the investment in ALLIPO plc in light of the market value of the Group's interest in its share capital at 30 June 2009 by calculating the investment's recoverable amount. The recoverable amount has been determined from value in use calculations which have regard to future trading results and cash generation of the company. The directors are satisfied that the recoverable amount is in excess of the carrying amount of the investment in ALLIPO plc and accordingly no impairment has been recognised against its carrying value.

NOTES TO THE FINANCIAL STATEMENTS

16. Deferred income tax

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

	Intangible assets	Website development costs	US tax losses	UK tax losses	Total
	£'000	£'000	£'000	£'000	£'000
At 1 July 2007	(536)	(405)	15	405	(521)
Credit/(charge) to income statement	40	35	56	(35)	96
At 30 June 2008	(496)	(370)	71	370	(425)
Credit/(charge) to income statement	55	36	56	(36)	111
At 30 June 2009	(441)	(334)	127	334	(314)

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances, after offset, for the purposes of financial reporting:

	2009	2008
	£'000	£'000
Deferred tax liabilities	(775)	(866)
Deferred tax assets	461	441
	(314)	(425)

At the balance sheet date the Group had unused tax losses of £6,222,000 (2008: £6,208,000) available for offset against future profits. A deferred tax asset has been recognised in respect of £1,645,000 (2008: £1,498,000) of such losses. No deferred tax asset has been recognised in respect of the remaining £4,577,000 (2008: £4,710,000) due to the unpredictability of future profit streams. Substantially all of the losses may be carried forward indefinitely.

17. Trade and other receivables

	2009	2008
	£'000	£'000
Non-current assets		
Other receivables	204	182
Current assets		
Trade receivables	580	600
Other receivables	1	41
Prepayments and accrued income	396	378
	977	1,019

NOTES TO THE FINANCIAL STATEMENTS

18. Credit quality of financial assets

As of 30 June 2009, trade receivables of £570,000 (2008: £182,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these overdue trade receivables is as follows:

	2009 £'000	2008 £'000
Trade receivables		
Not more than 3 months	468	160
More than 3 months but not more than 6 months	64	8
More than 6 months but not more than 1 year	38	14
	570	182

Impaired receivables allowance account

	2009 £'000	2008 £'000
At 1 July	43	49
Utilised during the year	(49)	(57)
Released	-	(7)
Created during the year	40	58
At 30 June	34	43

The carrying amount of the Group's trade and other receivables is denominated in the following currencies:

	2009 £'000	2008 £'000
Sterling	613	660
Euro	38	26
US dollar	134	137
	785	823

19. Financial instruments

Categories of financial instrument	2009 £'000	2008 £'000
Other financial assets - available for sale	32	67
Trade and other receivables - loans and receivables	785	823
Trade and other receivables – non-financial assets	192	196
	1,009	1,086
Cash and cash equivalents	1,509	1,591
Trade and other payables – other financial liabilities	1,261	1,423
Trade and other payables – non financial liabilities	272	348
	1,533	1,771

Financial assets which are available for sale relate to listed investments which are stated at their market value at 30 June 2009. The directors consider that the fair value of the other financial assets and liabilities is not materially different from the value set out in the table above due to their short term nature.

NOTES TO THE FINANCIAL STATEMENTS

20. Cash and cash equivalents

	2009 £'000	2008 £'000
Cash at bank and in hand	1,459	1,355
Short term bank deposits	50	236
Cash and cash equivalents per cash flow statement	1,509	1,591

21. Trade and other payables

	2009 £'000	2008 £'000
Trade payables	1,085	956
Social security and other taxes	135	377
Other payables	121	23
Accrued expenses and deferred income	192	415
	1,533	1,771

22. Finance leases

Finance lease liabilities mature as follows:

	2009 £'000	2008 £'000
Finance lease minimum payments		
Less than 1 year	35	60
Between 2 and 5 years	15	50
Total minimum lease payments	50	110
Future finance charges	(10)	(26)
Present value of finance leases	40	84
Present value of finance leases		
Less than 1 year	29	53
Between 2 and 5 years	11	31
	40	84

NOTES TO THE FINANCIAL STATEMENTS

23. Share capital

		Shares	£'000
Authorised share capital			
Ordinary shares of £0.01 each			
1 July 2007, 30 June 2008 and 30 June 2009		1,000,000,000	10,000
Issued, called up and fully paid Ordinary shares of £0.01 each			
At 1 July 2007		586,979,305	5,870
9 October 2007	Deferred consideration on acquisition of Equity Holdings Ltd	5,713,131	57
2 November 2007	Options exercised	416,666	4
14 December 2007	Options exercised	83,333	1
At 30 June 2008		593,192,435	5,932
2 December 2008	Deferred consideration on acquisition of Equity Holdings Ltd	20,709,800	207
3 March 2009	Option exercise	250,000	3
11 March 2009	Option exercise	416,667	4
21 April 2009	Option exercise	999,999	10
At 30 June 2009		615,568,901	6,156

Share price

The market value of the shares at 30 June 2009 was 2.85p (2008: 2.65p) and the range during the year was 0.80p to 2.95p (2008: 2.13p to 3.35p).

24. Share based payments

The Group uses share options as remuneration for services of employees. The Group issued the following share options during 2009:

Date of issue	Number issued	Weighted average share price (pence)	Weighted average exercise price (pence)	Expected volatility %	Expected life years	Risk free rate %	Weighted average fair value at grant (pence)
7 July 2008	250,000	2.80	2.80	39.00	7	5.3	1.43

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

	2009 WAEP		2008 WAEP	
	Number	Price (pence)	Number	Price (pence)
Outstanding at the beginning of the year	40,642,511	3.19	45,391,000	3.19
Granted during the year	250,000	2.80	1,308,000	3.28
Exercised during the year	(1,666,667)	1.25	(499,999)	1.42
Forfeited during the year	(1,423,334)	2.05	(500,000)	4.69
Expired during the year	(3,500,000)	4.09	(5,056,490)	2.50
Outstanding at the year end	34,302,510	3.30	40,642,511	3.19
Exercisable at the year end	29,577,511	3.36	32,000,510	3.29

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 period
- There are no vesting conditions which apply to the share options other than continued service up to 3 years.
- 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.

NOTES TO THE FINANCIAL STATEMENTS

The options outstanding at the year-end are set out below:

Expiry date	Exercise Price (p)	2009 Share options	2009 Remaining life	2008 Share options	2008 Remaining life
10 July 2008	4.750	-		140,000	1
10 June 2009	1.750	-		7,116,668	1
18 February 2010	1.250	898,512	1	5,231,845	2
27 January 2011	4.750	6,400,000	2	7,400,000	3
7 July 2011	3.375	295,000	3	295,000	4
27 January 2012	4.600	7,149,998	3	8,149,998	4
6 September 2013	3.300	8,650,000	5	10,150,000	6
10 April 2014	2.550	851,000	5	851,000	6
11 December 2014	2.250	906,000	6	906,000	7
20 December 2014	2.325	402,000	6	402,000	7
7 July 2015	2.800	250,000	7	-	
10 June 2018	1.750	5,500,000	9	-	
10 June 2018	1.250	3,000,000	9	-	
		34,302,510	5	40,642,511	4

1, 666, 666 options were exercised during the year, the weighted average share price at the date of exercise was 1.25p.

The total expense recognised during the year by the Group, for all schemes, was £31,000 (2008: £90,000).

Re-dating of options on 8 July 2008

Certain ADVFN directors hold 8,500,000 options which were exercisable at below market price, and expire between June 2009 and February 2010. In order to avoid shareholder dilution, those directors agreed that they would waive the existing rights that they had to exercise those options and amended the terms of the options such that they now become exercisable on 10 June 2011 (subject to normal caveats regarding becoming exercisable prior to that on certain eventualities, for example death of the director or takeover of the Company) and expire on 10 June 2018.

The exercise prices remain the same.

Details are as follows (all options expire on 10 June 2018).

C H Chambers
4,000,000 at 1.75p previously exercisable 10 June 2009, now locked up until 10 June 2011
1,000,000 at 1.25p previously exercisable 18 Feb 2010, now locked up until 10 June 2011

M J Hodges
1,000,000 at 1.75p previously exercisable 10 June 2009, now locked up until 10 June 2011
1,000,000 at 1.25p previously exercisable 18 Feb 2010, now locked up until 10 June 2011

J B Mullins
500,000 at 1.75p previously exercisable 10 June 2009, now locked up until 10 June 2011
1,000,000 at 1.25p previously exercisable 18 Feb 2010, now locked up until 10 June 2011

NOTES TO THE FINANCIAL STATEMENTS

25. Operating lease commitments

The following payments are due to be made on operating lease commitments which are all leases on office accommodation:

Land & buildings	2009 £'000	2008 £'000
Within one year	209	175
Two to five years	250	351
	459	526

26. Disposal of assets

On 12 June 2009 the websites 'Silicon Investor' and 'Talkzilla' were sold for cash to the previous management of InvestorHub.com Limited. The web sites had no carrying value in the accounts of the Group and were disposed together with other assets with a value of £9,000. The income received for the various assets totalled £106,000 providing a profit on disposal amounting to £97,000.

27. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board and their policies are outlined below.

a) Market risk

Foreign exchange risk

The Group is exposed to translation and transaction foreign exchange risk as it operates within the USA and other countries around the world and therefore transactions are denominated in Sterling, Euro , US dollars and other currencies. The Group policy is to try and match the timing of the settlement of sales and purchase invoices so as to eliminate, as far as possible, currency exposure.

The Group does not hedge any transactions and foreign exchange differences on retranslation of foreign assets and liabilities are taken to the income statement.

The carrying value of the Group's foreign currency denominated assets and liabilities are set out below:

	2009		2008	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
US Dollars	347	277	409	247
Euros	99	39	45	27
Yen	2	19	5	19
	448	335	459	293

The majority of the group's financial assets are held in Sterling but movements in the exchange rate of the US Dollar and the Euro against Sterling have an impact on both the result for the year and equity. The Group considers its most significant exposure is to movements in the US Dollar.

Sensitivity to reasonably possible movements in the US Dollar exchange rate can be measured on the basis that all other variables remain constant. The effect on both profit and equity of strengthening or weakening of the US dollar in relation to sterling by 10% would result in a movement of £7,000 (2008: £15,000).

Interest rate risk

As the Group carries no borrowings other than finance leases at fixed rates of interest the directors consider that there is no significant interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount.

Provision of services by members of the Group results in trade receivables which the management consider to be of low risk, other receivables include subscription monies from shareholders and are likewise considered to be low risk. The management do not consider that there is any concentration of risk within either trade or other receivables. No trade or other receivables have been impaired.

Credit risk on cash and cash equivalents is considered to be small as the counterparties are all substantial banks with high credit ratings. The maximum exposure is the amount of the deposit.

c) Liquidity risk

The Group currently holds substantial cash balances in Sterling, US dollars and Euros to provide funding for normal trading activity. The Group also has access to additional equity funding and, for short term flexibility, overdraft facilities would be arranged with the Group's bankers. Trade and other payables are monitored as part of normal management routine.

2009	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade and other payables	1,085	-	-	-
Accruals	161	-	-	-
Finance lease creditors	35	15	-	-

2008	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade and other payables	956	-	-	-
Accruals	414	-	-	-
Finance lease creditors	60	35	15	-

d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other members. The Group will also seek to minimise the cost of capital and attempt to optimise the capital structure. Currently no dividends are paid to shareholders and capital for further development of the Group's activities is achieved by share issues. The Group does not carry significant debt.

28. Capital commitments

At 30 June 2009 the Group had no capital commitments (2008: £nil).

29. Related party transactions

The Company paid management charges of £41,400 (2008: £41,400) to On-line plc during the year. On-line plc is related by virtue of having common directors, M J Hodges, C H Chambers and J B Mullins and as On-line holds approximately 19.5% of the shares in the company. In addition, advertising recharges were paid amounting to £91,000 (2008: £84,000).

During the year Edward Hunter Associates Limited, a company in which R A Emmet was a director, received fees of £nil (2008: £4,700) for recruiting staff for the company.

There were no other related party transactions.

NOTES TO THE FINANCIAL STATEMENTS

30. Events after the balance sheet date

On 22 July 2009 the Company acquired the remaining share capital of ALL IPO Plc. which was the balance of 62.93% of the voting rights.

At the time of the issue of these accounts the acquisition is partially complete and therefore final figures are not yet available. The Company has included as much information as can be reasonably obtained given the ongoing nature of the transaction.

Consideration
Consideration in the form of shares had been issued totalling 6,586,072 shares at the market value on 4 August 2009 of 2.7 pence per share. This amounted to £178,000. Those shareholders choosing the cash alternative had been paid a total of £20,000. The consideration to date therefore amounts to £198,000.

Net assets acquired
The net assets acquired cannot, at the time of the issue of these accounts, be accurately measured as the fair value exercise which forms part of the acquisition has not been completed. Further information will be included in the Group's interim financial information.

COMPANY FINANCIAL STATEMENTS

DIRECTORS' RESPONSIBILITIES FOR THE COMPANY FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and regulation.

Company law requires the directors to prepare parent company financial statements for each financial year. Under that law the directors have elected to prepare parent company financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The parent company financial statements are required by law to give a true and fair view of the state of affairs of the company for that year. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that 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.

In so far as each of the directors is aware:

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

Independent auditor's report to the members of ADVFN PLC

We have audited the parent company financial statements of ADVFN plc for the year ended 30 June 2009 which comprise the parent company balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 42, the directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the parent company 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 APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2009;
- 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent company 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.

Other matter

We have reported separately on the group financial statements of ADVFN plc for the year ended 30 June 2009.

Stephen P.S. Weatherseed
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
Gatwick
30 September 2009

COMPANY BALANCE SHEET

	Note	At 30 June 2009 £'000	At 30 June 2008 £'000
Fixed assets			
Tangible assets	4	1,254	1,456
Investments	5-6	2,760	2,760
		4,014	4,216
Current assets			
Debtors	7	1,927	1,752
Investments	8	15	29
Cash at bank and in hand		1,346	1,305
		3,288	3,086
Creditors: amounts falling due within one year	9	(1,396)	(1,434)
Net current assets		1,892	1,652
Total assets less current liabilities		5,906	5,868
Creditors: amounts falling due after more than one year	10	(11)	(32)
Net assets		5,895	5,836
Capital and reserves			
Called up share capital	11	6,156	5,932
Share premium account	12	7,758	7,710
Option valuation reserve	12	452	421
Merger reserve	12	221	221
Shares to be issued	12	-	249
Profit and loss account	12	(8,692)	(8,697)
Shareholders' funds	13	5,895	5,836

The financial statements on pages 44 to 52 were authorised for issue by the Board of Directors on 30 September 2009 and were signed on its behalf:

Clem Chambers
Managing Director

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

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Accounting convention
The parent company financial statements have been prepared under United Kingdom Generally Accepted Accounting Practice using the historical cost convention as modified by the revaluation of certain financial instruments and in accordance with the Companies Act 2006 and applicable accounting standards. The particular accounting policies adopted by the directors are described below and are considered suitable, have been consistently applied and are supported by reasonable and prudent judgements and estimates in accordance with FRS 18.

Intangible fixed assets
Intangible fixed assets are included at cost net of amortisation. Licences are being amortised over their expected useful economic life of five years.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. No depreciation is charged during the period of construction. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

Leasehold improvements	over the period of the lease
Computer equipment	33%
Office equipment	20%
Website development costs	see below

Website development costs
Website development costs represent the design and content cost associated with the development of financial software. They are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least equal to the amount capitalised. They are recorded in the balance sheet in the year in which they are incurred, in accordance with FRS 15 'Tangible fixed assets' and UITF 29 'Website development costs'. Such costs are amortised over their useful economic life of two, three or five years as appropriate.

Deferred taxation
Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax 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. Deferred tax balances are not discounted.

Investments
Fixed asset investments are included at cost less amounts written off. Current asset investments are included at market value where they are traded on an active market. Unrealised gains and losses on current asset investments are recognised in the statement of total recognised gains and losses. Profit or loss on disposal of current asset investments is the difference between sale proceeds and carrying value.

Leased assets
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Defined contribution pension costs
Pension costs are charged in the year in which they are incurred.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Foreign currencies
Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All other exchange differences are dealt with through the profit and loss account.

Financial instruments
Classification as equity or financial liability
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

An equity instrument is any contract that evidences a residual interest in the assets of the group/company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

Share based payments
The Company recognises 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.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

2. COMPANY PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's result after taxation for the financial year was a profit of £19,000 (2008: loss of £110,000). The auditors' remuneration for the statutory audit was £22,000 (2008: £23,000)

3. STAFF COSTS

Employee costs including directors:

	Year to 30 June 2009 £'000	Year to 30 June 2008 £'000
Wages and salaries	1,945	2,175
Social security costs	198	228
Pension	29	36
Share based payments	30	78
	2,202	2,517

For details of directors' remuneration, see the Remuneration Report on page 10 and 11.

The average monthly number of employees during the year was as follows:

	Year to 30 June 2009	Year to 30 June 2008
Development	19	31
Sales and Administration	17	12
	36	43

NOTES TO THE COMPANY FINANCIAL STATEMENTS

4. TANGIBLE FIXED ASSETS

	Leasehold property improvements £'000	Computer equipment £'000	Office equipment £'000	Website development costs £'000	Total £'000
Cost					
At 1 July 2007	48	847	106	2,666	3,667
Additions	-	77	-	817	894
At 30 June 2008	48	924	106	3,483	4,561
Additions	-	15		676	691
At 30 June 2009	48	939	106	4,159	5,252
Depreciation					
At 1 July 2007	32	679	106	1,340	2,157
Charge for the year	5	128	-	815	948
At 30 June 2008	37	807	106	2,155	3,105
Charge for the year	5	79	-	809	893
At 30 June 2009	42	886	106	2,964	3,998
Net book value					
At 30 June 2009	6	53	-	1,195	1,254
At 30 June 2008	11	117	-	1,328	1,456

The cost of tangible fixed assets held under finance leases is £125,000 (2008: £125,000); accumulated depreciation is £107,000 (2008: £78,000) giving a net book value of £18,000 (2008: £47,000). Finance charges included in lease payments made during the year amounted to £11,000 (2008: £15,000).

NOTES TO THE COMPANY FINANCIAL STATEMENTS

5. INVESTMENT IN SUBSIDIARIES

	£'000
At 1 July 2007	2,691
Additions	88
Disposals	(20)
At 30 June 2008	2,759
Additions	-
Disposals	-
At 30 June 2009	2,759

The additions in the year to 30 June 2008 relate primarily to additional purchase consideration in respect of Equity Holdings Limited. During the year the directors revised their estimate of the total amount remaining to be paid to the former shareholders of Equity Holdings Limited by £80,000. The final payment of £249,000 will be satisfied by the issue of Ordinary share capital and is reflected within the 'Shares to be issued' reserve as set out in note 11.

Included within investment in subsidiaries at the balance sheet date are the following companies:

	Country of incorporation	% interest in ordinary shares at 30 June 2009	Activity
Equity Holdings limited	England & Wales	100.00%	Holding company
Equity Development Limited	England & Wales	100.00%	Research services
Cupid Bay Limited	England & Wales	100.00%	Internet dating website
Fotothing limited	England & Wales	100.00%	Dormant
InvestorsHub.com Limited	USA	100.00%	Financial information website
ADVFN Brazil Limited	England & Wales	100.00%	Dormant
E O Management Limited	England & Wales	100.00%	Dormant
Throgmorton Street Capital Limited	England & Wales	100.00%	Dormant

On 22 July 2009 the Company acquired the remaining share capital of ALL IPO Plc. which was the balance of 62.93% of the voting rights. The consideration amounted to £198,000.

6. INVESTMENT IN ASSOCIATES

	Country of incorporation	% interest in ordinary shares at 30 June 2009	Principal activity
ALL IPO Plc	England & Wales	37.07%	IPO information web site

	£'000
At 1 July 2007, 30 June 2008 and 30 June 2009	1

On 22 July 2009 the Company acquired the remaining share capital of ALL IPO Plc. which was the balance of 62.93% of the voting rights. The consideration amounted to £198,000.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

7. DEBTORS

	2009 £'000	2008 £'000
Trade debtors	379	325
Amounts owed by group companies	991	738
Other debtors	183	182
Recoverable corporation tax	-	163
Prepayments and accrued income	374	344
	1,927	1,752

Included within 'Other debtors' is an amount of £183,000 (2008: £182,000) which is due after more than one year. The amounts due from Group undertakings are due after more than one year.

8. CURRENT ASSET INVESTMENTS

	At 30 June 2009 £'000	At 30 June 2008 £'000
Listed investments at market value	-	29
Unlisted investments at valuation	15	-

The current asset investment comprises an investment in 'Smokin' Gun', however the company has now delisted and the valuation of the company for the purposes of these accounts must now be made on the basis of discounted future cash flows. As a result the carrying value of the investment has been reduced by £14,000

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 30 June 2009 £'000	At 30 June 2008 £'000
Trade creditors	1,032	882
Other tax and social security	197	334
Accruals and deferred income	136	163
Other creditors	-	1
Hire purchase and finance leases	29	53
Amounts owed to Group undertakings	2	1
	1,396	1,434

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	At 30 June 2009 £'000	At 30 June 2008 £'000
Hire purchase and finance leases	11	85
Maturity of finance lease obligations		
Between 1 and 2 years	11	53
Between 2 and 5 years	-	32
	11	85

NOTES TO THE COMPANY FINANCIAL STATEMENTS

11. SHARE CAPITAL

		Shares	£'000
Authorised share capital			
Ordinary shares of £0.01 each			
1 July 2007, 30 June 2008 and 30 June 2009		1,000,000,000	10,000
Issued, called up and fully paid Ordinary shares of £0.01 each			
At 1 July 2007		586,979,305	5,870
9 October 2007	Deferred consideration on acquisition of Equity Holdings Ltd	5,713,131	57
2 November 2007	Options exercised	416,666	4
14 December 2007	Options exercised	83,333	1
At 30 June 2008		593,192,435	5,932
2 December 2008	Deferred consideration on acquisition of Equity Holdings Ltd	20,709,800	207
3 March 2009	Option exercise	250,000	3
11 March 2009	Option exercise	416,667	4
21 April 2009	Option exercise	999,999	10
At 30 June 2009		615,568,901	6,156

Share price

The market value of the shares at 30 June 2009 was 2.85p (2008: 2.65p) and the range during the year was 0.80p to 2.95p (2008: 2.13p to 3.35p).

12. RESERVES

	Share premium account £'000	**Merger reserve £'000**	**Shares to be issued £'000**	**Option reserve £'000**	**Profit and loss account £'000**
At 1 July 2008	**7,710**	**221**	**249**	**421**	**(8,697)**
Share option charge				31	
Profit for the year					5
Share issues	48		(249)		
At 30 June 2009	**7,758**	**221**	**-**	**452**	**(8,692)**

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Profit / (loss) for the financial year	19	(110)
Issue of shares	272	172
Additional contingent consideration to acquire subsidiary	(249)	(83)
Share option charge	31	78
Net increase in shareholders' funds	73	57
Shareholders' funds at 1 July	5,836	5,779
Shareholders' funds at 30 June	5,909	5,836

NOTES TO THE COMPANY FINANCIAL STATEMENTS

14. RELATED PARTY TRANSACTIONS

The Company paid management charges of £41,400 (2008: £41,400) to On-line plc during the year. On-line plc is related by virtue of having common directors, M J Hodges, C H Chambers and J B Mullins and as On-line holds approximately 19.5% of the shares in the company. In addition, advertising recharges were paid amounting to £91,000 (2008: £84,000).

During the year Edward Hunter Associates Limited, a company in which R A Emmet was a director, received fees of £nil (2008: £4,700) for recruiting staff for the company.

There were no other related party transactions.

15. CAPITAL COMMITMENTS

The company had no capital commitments at 30 June 2009 or 30 June 2008.

16. SHARE BASED PAYMENTS

The ADVFN Plc equity settled share based payment scheme is fully disclosed in note 24 to the Group consolidated accounts above.

17. OPERATING LEASE COMMITMENTS

At 30 June 2009 the Company had annual commitments under non-cancellable operating leases expiring as follows:

Land & buildings	2009 £'000	2008 £'000
Within one year	14	14
Two to five years	148	148
	162	162

18. ACCOUNTS

Copies of these accounts are available from the Company's registered office at Suite 27, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA or from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

www.companieshouse.gov.uk

and from the ADVFN plc website:

www.ADVFN.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held in the Conference Room, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA on Wednesday 16th December 2009 at 10 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 2009.

2 To re-elect Mr. Robert Emmet 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-elect Mr. Jonathan Mullins 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.

4 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

5 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 £ 2,963,462 provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2010 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.

6 To consider, and if thought fit, to pass the following as special resolutions:-

THAT, conditional on the passing of resolution 5 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 5 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 £ 2,963,462

and such authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2010 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.

7. THAT:

(a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Act are to be treated as provisions of the Company's Articles of Association; and

(b) the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

Registered Office:

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

By order of the Board

J Mullins
CFO
30th September 2009

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, Capita Registrars, Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 10 a.m. on 14th December 2009. 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 14th December 2009 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.

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 2009 together with the report of the auditors on those accounts be received and adopted.

Resolution 2 – Re-election of Mr. Robert Emmet as a director of the Company

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

Resolution 3 – Re-election of Mr. Jonathan Mullins as a director of the Company

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

Resolution 4 – 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.

Resolution 5 – 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 £ 2,963,462 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 2010.

Resolution 6 – Authority to disapply pre-emption rights

Subject to the passing of resolution 5, a special resolution will be proposed to empower the Directors to allot equity securities pursuant to the authority conferred by resolution 5 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 £ 2,963,462.

Such authority will, unless renewed, varied or revoked, expire at the conclusion of the Annual General Meeting of the Company to be held in 2010.

Resolution 7 – Adoption of new Articles of Association

A special resolution will be proposed to adopt new articles of association (the "**New Articles**") to take advantage and account of the 2006 Act relating, inter alia, to electronic communications, disclosure of interests in shares, directors' duties, shareholder meetings and proxies.

Copies of the Company's existing articles of association (the "**Existing Articles**") and the New Articles will be available for inspection during normal business hours at the registered office of the Company until the date of the AGM or upon request of the Company Secretary. Copies will also be available at the AGM until its conclusion.

The material differences between the Existing Articles and the New Articles are summarised below. Changes of a minor, conforming or purely technical nature have not been mentioned specifically.

(a) The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the 2006 Act, the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the Company's articles of association but the company can remove these provisions by special resolution.

Furthermore, the 2006 Act states that unless a company's articles of association provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 7(a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

(b) Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes.

(c) Voting by and appointment of proxies

The 2006 Act provides that each proxy appointed by a member has one vote on a show of hands, unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one of more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles remove provisions in the Existing Articles that only permitted members personally present at the meeting (or, being a corporation, present by a duly appointed representative) are entitled to have a vote on a show of hands and therefore effectively precluded proxies voting on a show of hands.

(d) Voting by corporate representatives

The 2006 Act enables multiple representatives to be appointed by the same corporate member and to vote in different ways on a show of hands and a poll. The New Articles contain provisions which permit the appointment of multiple corporate representatives but do not specifically deal with voting by corporate representatives on the basis that these are dealt with in the 2006 Act.

(e) Notice of general meetings

The Existing Articles require the company to give 21 clear days' notice of general meetings at which a special resolution is proposed. Pursuant to the 2006 Act a company may convene all general meetings which are not annual general meetings on 14 clear days' notice and the New Articles amend the provisions applicable to the Company convening general meetings to reflect this.

In addition, the time limits for the appointment or termination of a proxy appointment have been altered by the 2006 Act so that the articles cannot provide that they should be received more than 48 hours before the meeting or in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. The New Articles reflect all of these new provisions.

(f) Conflicts of interest

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the articles of association contain a provision to this effect. The 2006 Act also allows the articles of association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the Directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when Directors decide whether to authorise a conflict or potential conflict. First, only Directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a Director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the Directors.

(g) Electronic and web communications

Provisions of the 2006 Act which came into force in January 2007 enable companies to communicate with members by electronic and/or website communications. The New Articles allow communications to members in electronic form and, in addition, they also permit the Company to take advantage of the provisions relating to website communications. Before the Company can communicate with a member by means of a website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

(h) Notice of refusal to register transfer and suspension of transfers

Where the Directors refuse to register a transfer of shares, in accordance with the 2006 Act, the New Articles oblige them to send the transferee notice of their refusal as soon as practicable and, in any event, within two months after the date on which the instrument of transfer was lodged with the Company together with the reasons for the refusal, as required by the 2006 Act.

The Existing Articles permit the Directors to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. The power in the Existing Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

(i) Directors' indemnities

The 2006 Act has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In particular, a company that is a trustee of an occupational pension scheme can now indemnify a director against liability incurred in connection with the company's activities as trustee of the scheme. In addition, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies. The indemnity provisions in the New Articles have been amended to reflect the 2006 Act position.

(j) Execution of documents

Since 6 April 2008, the 2006 Act has provided for documents (whether they are simple contracts or deeds) to be executed by a company in one of three ways: (a) by affixing its common seal; or (b) by a director and secretary of a company or two directors of a company each signing the document on behalf of the company; or (c) by the document being signed on behalf of a company by a director in the presence of a witness who attests the signature. The New Articles reflect these provisions of the 2006 Act.

FORM OF PROXY

To:
The Directors
ADVFN PLC (the Company)
c/o Capita Registrars (Proxies)
P. O. Box 25
Beckenham
Kent
BR3 4BR

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 16th December 2009 at 10 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 2009		
2.	To re-elect Mr. R Emmet as a director of the Company		
3	To re-elect Mr. J Mullins as a director of the Company		
4.	To re-appoint Grant Thornton UK LLP as the Company's auditors		
5.	To authorise the directors to allot shares or grant rights pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**")		
	Special Resolutions:		
6.	To authorise the directors to allot equity securities for cash pursuant to Section 570 of the 2006 Act		
7.	To adopt new articles of association		

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 clearly stating your intention to revoke your proxy appointment to the Registrars at 34 Beckenham Road, Beckenham, Kent, BR3 4TU. 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 SERVICE
Licence No. MB 122

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Capita Registrars (Proxies)
PO Box 25
Beckenham
Kent
BR3 4BR

FIRST FOLD

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