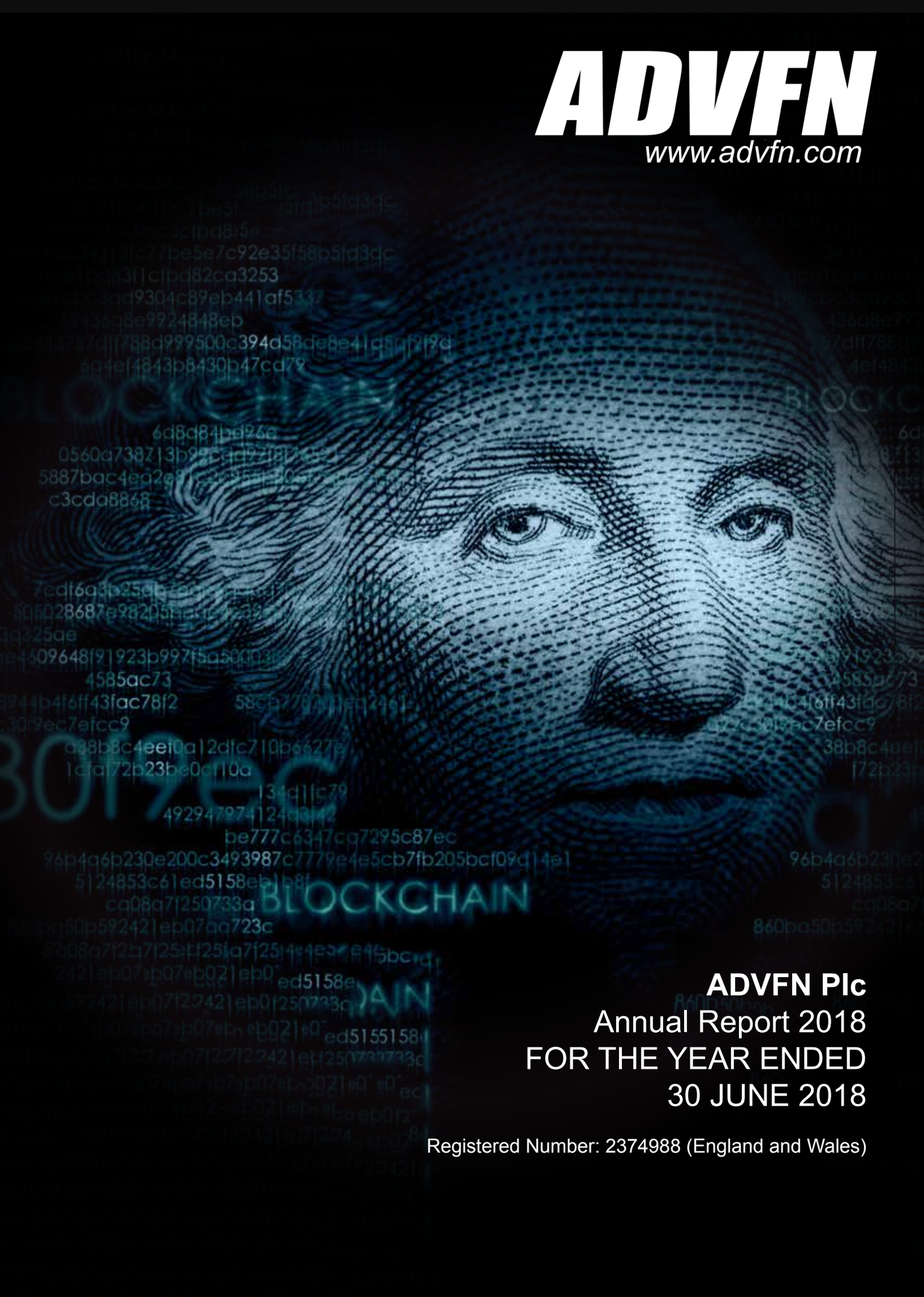
ADVFN

www.advfn.com



ADVFN Plc

Annual Report 2018

FOR THE YEAR ENDED 30 JUNE 2018

Registered Number: 2374988 (England and Wales)

CONTENTS OF THE FINANCIAL STATEMENTS

DIRECTORS, OFFICERS AND ADVISERS

Directors

Michael Hodges (Chairman)

Clement Chambers (Chief Executive Officer)

Jonathan Mullins (Technical Director and Chief Financial Officer)

Matt Collom (Sales Director)

Brian Basham (Non-executive Director)

Secretary

Michael Hodges

Registered Office

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

Independent Auditor

Grant Thornton UK LLP, St John's House, Haslett Avenue West, Crawley, RH10 1HS

Nominated Adviser

Beaumont Cornish Limited, 10th Floor, 30 Crown Place, London, EC2A 4EB

Broker

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

Registrars

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

Company number: 02374988

CHIEF EXECUTIVE'S STATEMENT

The financial year 2017/18 was a very interesting and challenging year, one that has seen us add significant upside potential to ADVFN. 2017 was the year of Bitcoin, which saw Cryptocurrency and blockchains explode on to centre stage of the financial markets. While even at the peak around Xmas of 2017 the Cryptocurrency market was a tiny market in comparison with forex and equities markets, it is of huge interest to the global private investor.

This year we took advantage of these opportunities and have positioned ourselves in the US and UK market with a strong cryptocurrency information offering which has since become stronger since the year end.

We have an operating profit of £384,000 (£47,000 in 2017), a solid improvement. Sales are up to £9,201,000 (£8,186,000 in 2017) and this is a strong result in the circumstances.

The timing of the Bitcoin bubble was fortunate as private investor interest in equities has been at an all-time low. It is perverse but our business in equities flourishes best when the market crashes and our customers are hurt by corrections and crashes. In strong markets investor complacency is not good for our business and we rely on the diversified nature of our sales to maintain revenue.

Happily, we were able to sail past these equity doldrums powered by a compensating tailwind of Cryptocurrency information traffic. Cryptocurrency information for the likes of Bitcoin and Ethereum is a new category of financial information and one we are excited about.

We are very bullish about the potential of future demand for Cryptocurrency information and feel this can be a business multiplier for us in the next 3-5 years. As you will see from the figures, we have made the investment in technology and skills to master and provide this information, without the costs materially affecting our bottom line and you can see for yourself the quality of our offering on the ADVFN and Investorshub website. This is the platform from which we are building out our Blockchain information offerings which we believe can be as lucrative as our equity offerings.

Equities and Blockchain have distinct audiences and we find the combination exciting. We believe our market potential just grew significantly and that we can grow to fill it.

Clement Chambers
CEO
2 November 2018

Corporate Governance Report

In April 2018, the Quoted Companies Alliance (QCA) published an updated version of its Code which provides UK small and mid-sized companies with a corporate governance framework that is appropriate for a Company of our size and nature.

The Board considers the principles and recommendations contained in the QCA Code are appropriate and have therefore chosen to apply the QCA Code. The updated 2018 QCA Code has 10 principles that should be applied. Each principle is listed in the statement below together with an explanation of how the Company applies or otherwise departs from each of the principles.

Principle One
Business Model and Strategy
The Board has concluded that the highest medium and long term value can be delivered to its shareholders is to continue to provide the tools and information our customers require, be that equity share prices, FOREX data, index data or crypto coin prices and information. Together with news about the financial markets globally. We have subscription based products that allow customers access to premium data and Advertisers that wish to reach our subscribers and users of the site. Further details and information about our products can be found at www.advfn.com.

Principle Two
Understanding Shareholder Needs and Expectations
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its brokers, NOMAD and shareholders. Shareholders also have the opportunity to attend our AGM and can access current information about the Company via our IR website or at www.advfn.com.

Principle Three
Considering wider stakeholder and social responsibilities
The Board recognises that the long term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders. The finance team review this on a regular basis to ensure that there is close oversight and contact with its key resources and relationships.

Principle Four
Risk Management
In addition to its other roles and responsibilities, the Audit Committee and Finance team are responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks, and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The following principal risks and controls to mitigate them, have been identified:

Activity	Risk	Impact	Control(s)
Management	Recruitment and retention of key staff	Reduction in operating capability	Stimulating and safe working environment Balancing salary with longer term incentive plans
Regulatory adherence	Breach of rules	Censure or withdrawal of authorisation	Strong compliance regime instilled at all levels of the company.
Strategic	Damage to reputation	Inability to secure new capital or clients	Effective communications with shareholders coupled with consistent messaging to our customers
	Inadequate disaster recovery procedures	Loss of key operational and financial data	Robust compliance Secure offsite storage of date

Activity	Risk	Impact	Control(s)
Financial	Liquidity, market and credit risk	Inability to continue as going concern Reduction in asset values	Reviewed by the Finance Team on a regular basis
	Inappropriate controls and accounting policies	Incorrect reporting of assets	Appropriate authority and investment levels Audit Committee and Finance Team

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control. An internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control exercised by the executive directors. However, the Board will continue to monitor the need for an internal audit function. The Board works closely with and has regular ongoing dialogue with the Company financial controller and has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

Principle Five
A Well Functioning Board of Directors
As at the date hereof the Board comprised, the Executive Chairman and company Secretary Michael Hodges, CEO Clement Chambers, CFO and CTO Jonathan Mullins, Sales Director Matthew Collom and Non-Executive Director, Brian Basham. Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than three years. All the Directors bar Matthew Collom including the Non-Executive Directors are considered to be part time but are expected to provide as much time to the Company as is required.

The Board meets regularly throughout the year (ordinarily 6 times). It has established an Audit Committee and Finance team and a Remuneration Committee, particulars of which appear hereafter. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. Brian Basham is considered to be an Independent Director. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there be two independent non-executives. While the Board considers to date the Board composition (including the executive role of the Chairman and the single non-executive director has been appropriate for the Company given the size of the business, the board will review further appointments as scale and complexity grows and in particular the potential appointment of an additional second independent non-executive director to meet the QCA recommendation.

Principle Six
Appropriate Skills and Experience of the Directors
The Board currently consists of Five Directors. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Director's has experience in public markets.

The Board recognises that it currently has a limited diversity and this will form a part of any future recruitment consideration if the Board concludes that replacement or additional directors are required.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Clement Chambers
Chief Executive Officer
Co-founder of ADVFN plc, All IPO plc and Online Blockchain plc, Clement Chambers has been involved in the software industry for over 35 years as a pioneer of computer games, massively multiplayer games, multimedia and the internet. He is also director of Online Blockchain plc. He has written investment columns for Wired Magazine, Forbes, The Business, The Scotsman and broadcasts on investment matters for SKY News, CNBC and the BBC. Chambers takes an active role in all aspects of ADVFN, from product and staff development to revenue generation and the day-to-day running of the site. He is a member of the remuneration committee. He has been a Non-Executive Director of Avarae Global Coins PLC since November 2010.

Michael Hodges
Chairman
Co-founder of ADVFN plc, Michael Hodges has over 35 years experience in computer software development and publishing, while working with multi-user and Internet projects for many years. He Co-founded Online Blockchain plc, ADVFN plc and All IPO plc. He is currently Chairman of Online Blockchain plc, ADVFN plc and a director of All IPO plc. At

ADVFN, Michael has responsibility for exchange liaison, all legal and contractual issues and general business development. He is a member of the audit committee and of the remuneration committee and part of the Finance team.

Jonathan Mullins
CFO & CTO
Jonathan Mullins has been involved in the development of a wide variety of on-line and internet services for over 20 years. He is responsible for the entire technical department of ADVFN and has overseen the growth of the website since its early days, including the development of the proprietary streaming service. He continues to direct all technical implementations for the site and as CFO is head of the Finance team.

Matthew Collom
Sales Director
Matthew Collom joined ADVFN in 2001 and has 20 years' experience within the on-line advertising industry. He became the Sales Director of the company in May 2014.

Brian Basham
Non Executive Director
Executive Chairman of Equity Development, Brian Basham brings a wealth of industry knowledge and experience to the ADVFN board, having founded a number of successful businesses since 1976, including Broad Street Associates (subsequently sold to BDDP in 1986) and Primrose Care (sold to BUPA in 1998). Basham has had a long career in the City having first worked as a financial journalist, working for the Daily Mail, The Times and The Telegraph.

Principle Seven
Evaluation of Board Performance
Internal evaluation of the Board, the Committees and individual Directors is to be undertaken in the form of appraisal and discussions to determine the effectiveness and performance as well as the Directors' continued independence.

Principle Eight
Corporate Culture
The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company. The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. A large part of the Company's activities is centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great import on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Principle Nine
Maintenance of Governance Structures and Processes
Ultimate authority for all aspects of the Company's activities rests with the Board, the respective responsibilities of the Chairman and Chief Executive Officer arising as a consequence of delegation by the Board. The Chairman is responsible for the effectiveness of the Board, while management of the Company's business and primary contact with shareholders has been delegated by the Board to the Chief Executive Officer.

Audit Committee
During the financial year ended 30th June 2018 the Audit Committee comprised Jonathan Mullins and Michael Hodges which was chaired by Jonathan Mullins. This team has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit Committee has unrestricted access to the Company's auditors.

Remuneration Committee
The Remuneration Committee comprises Clement Chambers and Michael Hodges. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

Nominations Committee
The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors
The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Chairman and non-executive directors insofar as both the Chairman and non-executive directors will be appointed for an initial term of three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten
Shareholder Communication
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company.

Investors also have access to current information on the Company though its website, www.advfn.com, and via Clement Chambers, CEO, who is available to answer investor relations enquiries.

The Company shall include, when relevant, in its annual report, any matters of note arising from the audit or remuneration committees.

STRATEGIC REPORT

Financial Overview

These consolidated and company accounts have been prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union.

As always, we are in a continued environment of rising costs in data licenses and exchange fees. We will continue to monitor these and adapt as required.

Business Review

Our product, which is our website, can be seen at www.advfn.com. Operating our websites is very technically challenging and is subject to constant maintenance and engineering.

With the advent of the Blockchain and Cryptocurrencies we have now added a new segment to the website to cater for the need of the global cryptocurrency audience for timely and accurate data. We expect this to expand the audience and traffic of our sites.

For our UK audience Brexit will be on most peoples agenda over the next year and perhaps several years. We believe this market stressing event could create increased interest in the markets in the UK which is a very important market for us. ADVFN's information sites are important windows onto world markets that private investors around the world use to help manage their investing and trading and we see opportunities for growth in providing these sites.

Turnover has grown substantially in the last year and, as has happened in previous years, the growth in the headcount has been in parallel. This underlines the importance of having the talented staff available in the company when there are opportunities to expand. Our registered users go on increasing and provide us with a ready market for the new products we are able to offer.

Operating Costs

Our main costs are relatively fixed but licence and exchange fees are continuing to rise and it is these we must keep a close eye on and if need be change what we offer.

Research and Development ("R&D")

Like most technology / media companies we are highly focused on new developments including improvements to our website, products, tools etc. Our research and development is key to our future. The web and mobile environment continue to move and change and it's our R&D that allows us to keep ahead. Our R & D investment this year has been £353,000 (2017: £379,000) and all of this investment has been to develop the website and has been capitalised. This constant investment ensures our web experience remains fresh and relevant.

Environmental policy

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

Future outlook for the business

It is important for us to keep focused on the technology and continue to strive to be ahead of this new market changing process. The Blockchain and Crypto Currencies are a new area that we are building upon, which could open up new opportunities that I hope we can develop and into which we can push the business.

Summary of key performance indicators

Our key indicators have not changed, as they are an important part of the business.

The Directors monitor the Key Performance Indicators on an ongoing basis. The chart below shows the level of performance achieved in the financial year. The individual items are as follows:

	2018 Actual	**2018 Target**	2017 Actual	2017 Target
Turnover	£9.2M	£8.5M	£8.2M	£8.0M
Average head count	46	40	32	35
ADVFN registered users	4.5M	4.2M	4.0M	3.8M

Turnover – is of vital importance as it gives the sales department a goal and measures the financial success of the Group's services.

Head count - is a very significant part of the costs of the company and is fixed as an overhead. It provides a good indicator when taken against the revenue figure for the efficiency of the business. Talented people are a vital part of the business.

Registered users - give us an accurate indication of our audience pool and the potential available for marketing our service.

STRATEGIC REPORT (continued)

Principal risks and uncertainties

In addition to the principal risks summarised on page 4, the following are also considered to be principal risks and uncertainties.

Economic downturn

I mentioned above we may face many new potential issues. We have no control over the outcome and impact of the Brexit negotiations and the leaving process itself. This, mixed with the new technologies which are on their way, could make for an interesting experience.

High proportion of fixed overheads coupled with variable revenues

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

Product obsolescence

I have said many times our technology that we use is always in development and constantly changing and up dating. All our technology and products are subject to technological change and could become obsolete quickly.

As always we have to constantly innovate to keep up with growing technical challenges that are changing all the time.

The Board is 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 major 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 and no forward contracts are in place. 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.

Following the volatility post Brexit, management will continue to monitor the impact of currency fluctuation. The exchange rate of the US Dollar has been a recent focus.

Consideration of the principal risks associated with financial instruments is contained in note 22.

People

I would like to thank the whole team at ADVFN who tirelessly provide a global service for private investors that never sleep.

ON BEHALF OF THE BOARD

Clement Chambers
CEO
2 November 2018

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the year ended 30 June 2018.

PRINCIPAL ACTIVITIES

The principal activity of the group is the development and provision of financial information primarily via the internet, research services and the development and exploitation of ancillary internet sites.

RESULTS

The profit for the financial year amounted to £393,000 (2017: £244,000). The Directors do not propose the payment of a dividend (2017: £nil).

DIRECTORS

The Directors set out below held office throughout the year except where stated:

M J Hodges
C H Chambers
J B Mullins
M Collom
B Basham

Matthew Collom and Brian Basham 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 55, Chairman*
Co-founder of ADVFN plc, Michael Hodges has over 30 years experience in computer software development and publishing, while working with multi-user and Internet projects for many years. He Co-founded Online Blockchain plc, ADVFN plc and All IPO Plc. He is currently Chairman of Online Blockchain plc, ADVFN plc and a Director of All IPO Plc. At ADVFN, Michael has responsibility for exchange liaison, all legal and contractual issues and general business development.

Clement Chambers *aged 54, Chief Executive Officer*
Co-founder of ADVFN plc, All IPO Plc and Online Blockchain plc, Clement Chambers has been involved in the software industry for over 30 years as a pioneer of computer games, multiplayer games, multimedia and the internet. He is also a Director of Online Blockchain plc and All IPO Plc. He has written investment columns for Wired Magazine, Forbes, The Business, The Scotsman and broadcasts on investment matters for SKY News, CNBC and the BBC. Chambers takes an active role in all aspects of ADVFN, from product and staff development to revenue generation and the day-to-day running of the site. He has been a Non-executive Director of Avarae Global Coins PLC since November 2010.

Jonathan Mullins*, aged 48, 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 20 years. He is responsible for the entire technical department of ADVFN and has overseen the growth of the website since its early days, including the development of the proprietary streaming service. He continues to direct all technical implementations for the site.

Matthew Collom, *aged 41, Sales Director*
Matthew Collom joined ADVFN in 2001 and has 15 years' experience within the online advertising industry. He became the Sales Director of the company in May 2014.

Brian Basham, *aged 75, Non-executive Director*
Executive Chairman of Equity Development and ArchOver Limited, Brian Basham brings a wealth of industry knowledge and experience to the ADVFN board, having founded a number of successful businesses since 1976, including Broad Street Associates (subsequently sold to BDDP in 1986) and Primrose Care (sold to BUPA in 1998). Basham has had a long, varied and illustrious career in the Square Mile. Basham began life as a financial journalist, working for the Daily Mail, The Times and The Telegraph.

REPORT OF THE DIRECTORS (continued)

SUBSTANTIAL SHAREHOLDERS

At 1 November 2018 the Directors were aware of the following shareholdings in excess of 3% of the Company's issued share capital:

	Shareholding	%
Online Blockchain Plc	4,605,940	17.98%
Peter O'Reilly	2,136,893	8.34%
Michael Tamil	1,722,232	6.72%
River and Mercantile Asset Management	1,322,113	5.16%
Fidelity	1,110,545	4.33%

RESEARCH AND DEVELOPMENT

Research and development is a very important part of the work we do. We are constantly working to improve and expand the on-line experience available to subscribers to the many ADVFN services. We are highly focused on new developments including improvements to our website and researching and developing other methods of accessing our offering. Expenditure during the year amounted to £353,000 (2017: £379,000) all of which is development expenditure and has been capitalised.

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 Group has seen a modest increase in profit in line with the planned changes to strategy and the Directors continue to look for opportunities to reduce the ongoing cost base of the business without risking its continued development. The Directors have also prepared a detailed forecast of future trading and cash flows for the foreseeable future. At 30 June 2018 the Group's cash balances amounted to £1,061,000 and forecasts indicate that this balance will be improved during the next twelve to eighteen months. Accordingly, the Directors have prepared these financial statements on the going concern basis.

FINANCIAL RISK MANAGEMENT

Information relating to the Group's financial risk management is detailed in note 22 to the financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

There were no events of significance occurring after the balance sheet date to report.

STRATEGIC REPORT

Information in respect of the Business Review and Principal Risks and Uncertainties are not shown in the Report of the Directors because they are presented in the Strategic Report in accordance with s414c(ii) of the Companies Act 2006.

REPORT OF THE DIRECTORS (continued)

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

i select suitable accounting policies and then apply them consistently;
ii make judgements and accounting estimates that are reasonable and prudent;
iii state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements and,
iv prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors confirm that:

v so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
vi the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

AUDITOR

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

ON BEHALF OF THE BOARD

Michael Hodges
Chairman
2 November 2018

REMUNERATION REPORT

Directors' emoluments

	Salary & fees £'000	Benefits in kind £'000	Annual bonus £'000	2018 Total £'000	2018 Pension £'000	2017 Total £'000	2017 Pension £'000
Executive Directors							
M J Hodges	292	6	5	303	39	321	36
C H Chambers	349	2	5	356	39	394	33
J B Mullins	248	1	5	254	4	264	-
M Collom	289	-	5	294	4	250	-
Non-executive Directors							
B Basham	-	-	-	-	-	-	-
	1,178	9	20	1,207	86	1,229	69

Remuneration policy for Executive Directors

The Company's policy on Executive Director's 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.

Except for the disposal of Equity Holdings and its subsidiary Equity Developments to Mr Brian Basham who is a non-executive director of ADVFN, 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 30 June 2017 and 30 June 2018 were as follows:

	30 June 2018 No of Shares	1 July 2017 No of Shares	30 June 2018 No of options	1 July 2017 No of options
M J Hodges	26,000	26,000	651,473	651,473
C H Chambers	518,198	518,198	811,473	811,473
J B Mullins	18,578	18,578	400,000	400,000
M Collom	-	-	200,000	200,000

The remaining Director, Mr Basham, has no interests in the Company's shares.

REMUNERATION REPORT (continued)

Directors' interests in share options

The following options lapsed during the year:

Grant date	Vesting date	Lapse date	M J Hodges	C H Chambers	J B Mullins	M Collom	Total
10.06.02	10.06.11	10.06.18	40,000	160,000	20,000	-	220,000
18.02.03	10.06.11	10.06.18	40,000	40,000	40,000	-	120,000
			80,000	200,000	60,000	-	340,000

The following share options were granted during the year

Grant date	Vesting date	Lapse date	M J Hodges	C H Chambers	J B Mullins	M Collom	Total
07.06.18	10.06.18	12.12.24	40,000	160,000	20,000	-	220,000
07.06.18	10.06.18	12.12.24	40,000	40,000	40,000	-	120,000
			80,000	200,000	60,000	-	340,000

The details of the options held by each Director at 30 June 2018 are as follows:

Grant date	Vesting date	Lapse date	M J Hodges	C H Chambers	J B Mullins	M Collom	Total
27.01.04	31.12.13	31.12.22	40,000	60,000	40,000	-	140,000
27.01.05	31.12.13	31.12.22	40,000	60,000	40,000	-	140,000
06.09.06	31.12.13	31.12.22	60,000	60,000	60,000	-	180,000
21.10.09	31.12.13	31.12.22	31,473	31,473	-	-	62,946
12.12.14	12.12.15	12.12.24	400,000	400,000	200,000	200,000	1,200,000
07.06.18	10.06.18	12.12.24	40,000	160,000	20,000	-	220,000
07.06.18	10.06.18	12.12.24	40,000	40,000	40,000	-	120,000
			651,473	811,473	400,000	200,000	2,062,946

The remaining Director, Mr Basham, has no options on the Company's shares.

No share options were exercised during the year

Independent auditor's report to the members of ADVFN plc
Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of ADVFN plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2018 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2018 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach

- Overall group materiality: £184,000, which represents 2% of the Group's revenues
- The key audit matter was identified as revenue recognition and occurrence;
- We performed full scope audit procedures at the parent company in the United Kingdom. We engaged Novak Birks P.C. as component auditor to perform targeted procedures over the Group's subsidiary in the United States of America, IHub. We also engaged MacIntyre Hudson LLP to perform targeted procedures over the Group's subsidiary All IPO plc based in the UK. We also performed targeted procedures over the new subsidiary MJAC and analytical procedures over subsidiaries Cupid Bay and NA Data.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement

(whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Group and Parent	*How the matter was addressed in the audit – Group and Parent*
Revenue recognition and occurrence	
The Group's revenues are a significant measure of its financial peformance during the financial year. The Group derives the majority of its revenue from the provision of financial information through websites. This generates subscription income, which is recognised over the life of the subscription, as well as advertising revenue which is recognised over the period in which advertising space is provided. Both advertising and subscription revenue recognition are included within this Key Audit Matter. Other revenues are derived from the provision of both broking and research services which are recognised as the service is provided. Due to the volume of transactions that occur during the year, the significance of revenue as a measure of the Group's performance during the year and its importance to users of the financial statements, we identified revenue recognition and occurrence as a significant risk, which was one of the most significant assessed risks of material misstatement	Our audit work included, but was not restricted to: • assessing the appropriateness of the Group's revenue recognition policy in light of the requirements of International Accounting Standard (IAS) 18 'Revenue' and ensuring its consistent application; • testing a sample of advertising revenue transactions by comparing each item to source documentation demonstrating that the sale took place and the timing of revenue recognition and its occurrence was appropriate; • agreeing 100% of subscription revenue to third party statements to verify the revenue recognition and its occurrence was appropriate; and • testing a sample of other income by comparing each item to source documentation demonstrating that the sale took place and that both the timing of revenue recognition and its occurrence was appropriate. The group's accounting policy on revenue recognition is set out in note 2 to the financial statements and related disclosures are included in note 3. **Key observations** Our procedures did not identify any material misstatement in respect of revenue recognised by the Group during the year.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality measure	Group	Parent
Financial statements as a whole	£184,000 which was set as 2% of the Group's revenues. This benchmark is considered the most appropriate because it is a significant determinant of the Group's financial performance. Materiality for the current year is higher than the level that we determined for the year ended 30 June 2017 as a result of the increase in revenues during the year.	£147,000 which was set as 2% of the parent company's revenue. This benchmark is considered the most appropriate because it is a significant determinant of the parent company's financial performance. Materiality for the current year is higher than the level that we determined for the year ended 30 June 2017 as a result of the increased revenue of the parent company.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality	75% of financial statement materiality
Specific materiality	We determined a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.	We determined a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£9,200 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£7,400 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the group's business, its environment and risk profile and in particular included:

- evaluation by the group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality. Our assessment was based on the relative materiality of each component entity to the group and an assessment of their audit risk;
- determining that full scope audit procedures were to be carried out in the UK over the parent company (ADVFN plc) and targeted procedures were to be carried out by the Group audit team over the UK subsidiary MJAC. We also determined that targeted procedures should be carried out by component auditors in the UK and US over the components All IPO plc and IHUB Inc. respectively. The Group locations subject to full scope and targeted procedures were consistent with the prior year. However, we performed targeted procedures on a new UK-based subsidiary in the current year. The remaining non-significant components of the Group, comprising NA Data Inc and Cupid Bay Limited, were subject to analytical procedures over the financial statements of the related entities with a focus on applicable risks identified above and the significance to the Group balances
- full scope and targeted procedures cover 99.89% of Group revenues;
- evaluating the Group's internal control environment, including an assessment of the design effectiveness of controls over key financial statement risk areas identified as part of our audit risk assessment and to select certain transaction items to test during our procedures at the final audit stage; and
- the Group Audit Team communicated with the component auditors throughout the planning, fieldwork and concluding stages of the local audit and reviewed the work performed by the component auditors.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 3 to 14 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the report of the directors.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Jonathan Maile BSc (Hons) FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Crawley

Date: 02/11/2018

Consolidated income statement

	Notes	30 June 2018 £'000	30 June 2017 £'000
Revenue		9,201	8,186
Cost of sales		(392)	(201)
Gross profit		8,809	7,985
Share based payment	20	(21)	-
Amortisation of intangible assets	11	(202)	(302)
Other administrative expenses		(8,202)	(7,636)
Total administrative expenses		(8,425)	(7,938)
Operating profit	4	384	47
Finance income and expense	6	-	167
Income from related parties	25	58	-
Profit before tax		442	214
Taxation	7	(49)	30
Total profit for the period attributable to shareholders of the parent		393	244
Profit per share			
Basic	8	1.53 p	0.10 p
Diluted	8	1.53 p	0.10 p

Consolidated statement of comprehensive income

	30 June 2018 £'000	30 June 2017 £'000
Profit for the period	393	244
Other comprehensive income:		
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(33)	(281)
Deferred tax on translation of foreign held assets	-	92
Total other comprehensive income	(33)	(189)
Total comprehensive income for the year attributable to shareholders of the parent	360	55

Company statement of comprehensive income

As permitted by Section 408 of the Companies Act 2006, the income statement and statement of comprehensive income 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 £48,000 (2017: profit of £148,000).

The accompanying accounting policies and notes on pages 27 to 53 form an integral part of these financial statements.

Consolidated balance sheet

	Notes	30 June 2018 £'000	30 June 2017 £'000
Assets			
Non-current assets			
Property, plant and equipment	9	136	53
Goodwill	10	941	948
Intangible assets	11	1,307	1,156
Investments	13	3	-
Deferred tax	14	4	6
Trade and other receivables	15	111	92
		2,502	2,255
Current assets			
Trade and other receivables	15	855	948
Cash and cash equivalents		1,061	963
		1,916	1,911
Total assets		4,418	4,166
Equity and liabilities			
Equity			
Issued capital	19	51	51
Share premium		145	145
Share based payment reserve		365	344
Foreign exchange reserve		245	278
Retained earnings		1,277	884
		2,083	1,702
Current liabilities			
Trade and other payables	18	2,313	2,464
Current tax		22	-
		2,335	2,464
Total liabilities		2,335	2,464
Total equity and liabilities		4,418	4,166

The financial statements on pages 20 to 53 were authorised for issue by the Board of Directors on 2 November 2018 and were signed on its behalf by:

Clement Chambers
CEO
Company number: 02374988

The accompanying accounting policies and notes on pages 27 to 53 form an integral part of these financial statements.

Company balance sheet	Note	At 30 June 2018 £'000	At 30 June 2017 £'000
Assets			
Non-current assets			
Property, plant and equipment	9	124	24
Intangible assets	11	418	488
Trade and other receivables	15	111	92
Investments	12/13	2,365	2,362
		3,018	2,966
Current assets			
Trade and other receivables	15	1,105	1,048
Current tax recoverable		-	-
Cash and cash equivalents		561	573
		1,666	1,621
Total assets		4,684	4,587
Equity and liabilities			
Equity			
Called up share capital	19	51	51
Share premium account		145	145
Share based payment reserve		365	344
Retained earnings		1,617	1,569
		2,178	2,109
Current liabilities			
Trade and other payables	18	2,496	2,478
Current tax		10	-
Total liabilities		2,506	2,478
Total equity and liabilities		4,684	4,587

The financial statements on pages 20 to 53 were authorised for issue by the Board of Directors on 2 November 2018 and were signed on its behalf:

Clement Chambers
CEO
Company number: 02374988

The accompanying accounting policies and notes on pages 27 to 53 form an integral part of these financial statements.

Consolidated statement of changes in equity

	Share capital	Share premium	Share based payment reserve	Foreign exchange reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 July 2016	51	119	344	467	640	1,621
Equity settled share options						
Share issues	-	26	-	-	-	26
Total transactions with owners	-	26	-	-	-	26
Profit for the period after tax	-	-	-	-	244	244
Other comprehensive income						
Exchange differences on translation of foreign operations	-	-	-	(281)	-	(281)
Deferred tax on translation of foreign held assets	-	-	-	92	-	92
Total other comprehensive income	-	-	-	(189)	-	(189)
Total comprehensive income	-	-	-	(189)	244	55
At 30 June 2017	51	145	344	278	884	1,702
Equity settled share options	-	-	21	-	-	21
Total transactions with owners	-	-	21	-	-	21
Profit for the period after tax	-	-	-	-	393	393
Other comprehensive income						
Exchange differences on translation of foreign operations	-	-	-	(33)	-	(33)
Total other comprehensive income	-	-	-	(33)	-	(33)
Total comprehensive income				(33)	393	360
At 30 June 2018	51	145	365	245	1,277	2,083

The accompanying accounting policies and notes on pages 27 to 53 form an integral part of these financial statements.

Company statement of changes in equity

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
At 1 July 2016	51	119	344	1,421	1,935
Share issues	-	26	-	-	26
Transactions with owners	-	26	-	-	26
Profit for the period after tax	-	-	-	148	148
Total comprehensive income for the year	-	-	-	148	148
At 30 June 2017	51	145	344	1,569	2,109
Equity settled share options	-	-	21	-	21
Transactions with owners	-	-	21	-	21
Profit for the period after tax	-	-	-	48	48
Total comprehensive income for the year	-	-	-	48	48
At 30 June 2018	51	145	365	1,617	2,178

The accompanying accounting policies and notes on pages 27 to 53 form an integral part of these financial statements.

Consolidated cash flow statement

	Notes	12 months to 30 June 2018 £'000	12 months to 30 June 2017 £'000
Cash flows from operating activities			
Profit for the year		393	244
Taxation		49	(30)
Net finance income in the income statement	6	-	(167)
Depreciation of property, plant & equipment	9	68	52
Amortisation	11	202	286
Profit on disposal of Investor Events		-	(56)
Profit on disposal of Equity Holdings	25	(53)	-
Adjustment to fair value of embedded derivative		-	225
Share based payments - options/warrants	20	21	-
Decrease in trade and other receivables		74	82
Decrease in trade and other payables		(151)	(119)
Net cash generated by continuing operations		603	517
Income tax (payable)/receivable		(27)	14
Net cash generated by operating activities		576	531
Cash flows from financing activities			
Issue of share capital		-	26
Interest paid		-	-
Net cash generated/(used) by financing activities		-	26
Cash flows from investing activities			
Payments for property plant and equipment	9	(151)	(37)
Purchase of intangibles	11	(353)	(379)
Sale of Investor Events		-	40
Receipt from related party	25	50	-
Net cash used by investing activities		(454)	(376)
Net decrease in cash and cash equivalents		122	181
Exchange differences		(24)	(61)
Net increase in cash and cash equivalents		98	120
Cash and cash equivalents at the start of the period		963	843
Cash and cash equivalents at the end of the period		1,061	963

The accompanying accounting policies and notes on pages 27 to 53 form an integral part of these financial statements.

Company cash flow statement

	Notes	12 months to 30 June 2018 £'000	12 months to 30 June 2017 £'000
Cash flows from operating activities			
Profit for the period		48	148
Taxation		37	(10)
Net finance income in the income statement	6	-	(167)
Depreciation of property, plant & equipment	9	40	25
Amortisation	11	332	374
Adjustment to fair value of embedded derivative		-	225
Share based payments – options/warrants	20	21	-
Disposal of investment		-	1
Profit on disposal of Equity Holdings	25	(53)	-
Increase in trade and other receivables		(76)	(110)
Increase/(decrease) in trade and other payables		18	(325)
Net cash generated by operating activities		367	161
Income tax payable		(27)	-
Net cash generated by operating activities		340	161
Cash flows from financing activities			
Issue of share capital		-	26
Interest paid		-	-
Net cash generated by financing activities		-	26
Cash flows from investing activities			
Payments for property plant and equipment	9	(140)	(20)
Purchase of intangibles	11	(262)	(276)
Receipt from related party	25	50	-
Net cash used by investing activities		(352)	(296)
Net decrease in cash and cash equivalents		(12)	(109)
Cash and cash equivalents at the start of the period		573	682
Cash and cash equivalents at the end of the period		561	573

The accompanying accounting policies and notes on pages 27 to 53 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, research services and the development and exploitation of ancillary internet sites.

The principal trading subsidiaries are All IPO Plc, InvestorsHub.com Inc, N A Data Inc, MJAC InvestorsHub International Conferences Ltd and Cupid Bay Limited.

The Company is a public limited company which is quoted on the AIM 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 02374988.

Exemption from audit
For the year ended 30 June 2018 ADVFN Plc has provided a guarantee in respect of all liabilities due by its subsidiary companies Cupid Bay Limited (Company No. 04001650) and MJAC InvestorsHub International Conferences Ltd (Company No. 11000464) thus entitling them to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

2. Summary of significant accounting policies

Basis of preparation

The consolidated and company financial statements are for the year ended 30 June 2018. They have been prepared in compliance with International Financial Reporting Standards (IFRSs) and IFRS Interpretations Committee (IFRIC) interpretations as adopted by the European Union as at 30 June 2018. The consolidated and company financial statements have been prepared under the historical cost convention with the exception of derivative financial instruments carried at fair value and are presented in Sterling rounded to the nearest thousand except where indicated otherwise.

The subsidiary companies Cupid Bay Limited and MJAC InvestorsHub International Conferences Ltd are exempt from an audit under s479A of the Companies Act 2006.

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 Group has continued in profit and the Directors continue to look for opportunities to reduce the ongoing cost base of the business without risking its continued development. The Directors have also prepared a detailed forecast of future trading and cash flows for the foreseeable future. At 30 June 2018 the Group's cash balances amounted to £1,061,000 and forecasts indicate that this balance will be improved during the next twelve to eighteen months. Accordingly, the Directors have prepared these financial statements on the going concern basis.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Standards and amendments to existing standards adopted in these accounts
The standards and amendments adopted in these accounts had no material effect on the financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company in the 30 June 2018 financial statements

- IFRS 15 - Revenue
  The standard is effective for periods commencing on or after 1 January 2018 and will therefore be adopted no later than the period commencing 1 July 2018. The standard defines a new five step model to recognise revenue from customers and replaces IAS 18 'Revenue', IAS 11 'Construction contracts', IFRIC 13 'Customer loyalty programmes', IFRIC 15 'Agreements for the construction of real estate'. IFRIC 18 'Transfer of assets from customers' and SIC-3 'Revenue - Barter transactions involving advertising services'.
  The group has a number of income streams and the Directors have examined the Group's current revenue policy in detail as follows:
  Subscriptions – both monthly and annual subscriptions are offered and annual subscriptions are deferred on a time basis with equal monthly transfers to the income statement.
  Events – revenue from events is recognised at the time of the event. There are no circumstances when the early payment of entrance or stand fees entirely non-refundable.
  Advertising – fees for advertising are recognised when the service obligations are fulfilled. Where there are multiple obligations amounts specific to that obligation are transferred to the income statement.

  The Directors have reviewed the standard and its potential effects in the context of the Group's policy described above and have concluded that, on adoption, there will not be a significant impact on the Group's revenue.

- IFRS 9 Financial Instruments
  The standard is effective for periods commencing on or after 1 January 2019 and will therefore be adopted no later than the period commencing 1 July 2019. The standard is a replacement for IAS 39 'Financial Instruments'. The Group's financial assets consist of receivables and the liabilities consist of payables. There are no material borrowings.
  Under the provisions of the standard the treatment of any doubtful receivables will change to reflect an expected credit loss rather than an incurred credit loss. The group will need to apply an expected credit loss model when calculating impairment losses on its trade and other receivables (both current and non-current). This will result in increased impairment provisions and greater judgement due to the need to factor in forward looking information when estimating the appropriate amount of provisions. In applying IFRS 9 the group must consider the probability of a default occurring over the contractual life of its trade receivables and contracts asset balances on initial recognition of those assets.

  The directors are in the process of reviewing the potential effects of adopting this standard. The classification of financial assets and liabilities will change under the new standard, however, the result will not impact the income statement.

  Changes to rules covering hedge accounting will not apply as the Group does not use hedge accounting.

- IFRS 16 Leases
  The standard is effective for periods commencing on or after 1 January 2019 and will therefore be adopted no later than the period commencing 1 July 2019. The standard replaces IAS 17 and introduces a single lessee accounting model. Under the provisions of the new standard most leases, including the majority of those previously classified as operating leases, will be bought onto the financial position statement as a right-of-use asset and as an offsetting lease liability. Both asset and liability are based on present values of the lease payments due over the term of the lease with the asset being depreciated in accordance with IAS 16 'Property, plant and equipment' and the liability increased by the addition of interest and reduced as lease payments are made.
  The directors have examined the standard and its likely impact on the Group. If the standard were to be adopted during the current financial period and applied to the operating leases currently in the Group, the value of leases which would be recognised on the balance sheet at 30 June 2018 would be between £380,000 and £460,000. The directors will continue to work on their assessment of the new standard

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

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Consolidation
The Group's financial statements consolidate those of the parent company and all of its subsidiaries drawn up to 30 June 2018. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. 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 impairment of the asset transferred) on transactions between Group companies are eliminated.

Business combinations
The Group uses the acquisition method of accounting for the acquisition of a subsidiary. The consideration transferred is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed in the period.

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 non controlling interest.

Goodwill is recognised at the acquisition date measured as the excess of the aggregate of:

i. The fair value of the consideration transferred
ii. The fair value or, alternatively, the share of net assets of the non controlling interest in the acquiree
iii. In a combination achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition date fair value of the identifiable assets acquired and the liabilities assumed.

Where the goodwill calculation results in a negative amount (bargain purchase) this amount is taken to the income statement in the period in which it is derived.

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 the 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 but only if there is no significant fluctuation in the rate and;
- On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income and accumulated in a separate component of equity. Post transition exchange differences are recycled to profit or loss as a reclassification adjustment 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 services. VAT or similar local taxes and trade discounts are excluded.

The Group derives the majority of its revenue from the provision of financial information through websites. This generates subscription income, which is recognised over the life of the subscription, as well as advertising revenue which is recognised over the period in which advertising space is booked. Other revenues are derived from the provision of both broking and research services and which are recognised as the service is provided.

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

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Employee benefits
The cost of pensions in respect of the Group's defined contribution scheme is charged to profit or loss 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 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.

- Internally generated intangible assets
An internally generated intangible asset (website and mobile application) 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 profit or loss 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. The cost of such intangible assets is their fair value at the acquisition date and comprises brand names, subscriber lists, certain website development costs and licenses. All intangible assets acquired through business combination are amortised over their useful lives estimated at between 5 and 10 years.

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

- Intangible assets purchased
Intangible assets are purchased when the opportunity arises and capitalised at cost (fair value). Purchased intangible assets are amortised over their useful lives estimated at between 5 and 10 years. Subsequent to initial recognition, purchased intangible assets 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 (1 to 3 years)
Computer equipment	33% per annum over 3 years
Office equipment	20% per annum over 5 years

Notes to the financial statements (continued)

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 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. The cashflow evaluations are a result of the Director's estimation of future sales and expenses based on their past experience and the current market activity within the business. 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 loans and receivables. Financial assets are assigned to their different categories by management on initial recognition, depending on the characteristics of the asset.

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.

Available for sale financial assets
Available for sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's available for sale financial assets comprise equity shareholding of 30% in the investee company Equity Holdings Ltd. This investment is measured at fair value with any movements recognised in other comprehensive income.

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.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Leases
Where the risks and rewards of ownership of an asset are transferred to the group as lessee, 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 profit or loss 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. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income.

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.

Provisions, contingent liabilities and contingent assets
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.

Where modifications are made to the vesting or lapse dates of options the excess of the fair value of the revised options over the fair value of the original options at the modification date is expensed over the remaining vesting period.

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.
Share based payment reserve
The share based payment 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 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. Where the directors consider that sufficient evidence exists surrounding the technical feasibility and commercial viability of the project, which indicate that the costs incurred will be recovered they are capitalised within intangible fixed assets. Where insufficient evidence exists, the costs are expensed to the income statement.
b) 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, which cover a period of two years from the balance sheet date, 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.
c) The directors have determined that, despite holding a 30% stake in Equity Holdings and its subsidiary Equity Development, there is no associate relationship as the directors have no significant influence over the strategy or decision making of Equity Holdings. Accordingly, the interest in Equity Holdings Ltd is accounted for as an available for sale financial asset.

Sources of estimation uncertainty
a) Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating unit to which the goodwill has 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.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

3. Segmental analysis

The directors identify operating segments based upon the information which is regularly reviewed by the chief operating decision maker. The Group considers that the chief operating decision makers are the executive members of the Board of Directors. The Group has identified two reportable operating segments, being that of the provision of financial information and that of other services. The provision of financial information is made via the Group's various website platforms.

The parent entities operations are entirely of the provision of financial information.

Three minor operating segments, for which IFRS 8's quantitative thresholds have not been met, are currently combined below under 'other'. The main sources of revenue for these operating segments is the provision of financial broking services, financial conference events and other internet services not related to financial information. Segment information can be analysed as follows for the reporting period under review:

2018	Provision of financial information £'000	Other £'000	Total £'000
Revenue from external customers	8,900	301	9,201
Depreciation and amortisation	(388)	122	(266)
Other operating expenses	(7,984)	(567)	(8,551)
Segment operating (loss)/profit	528	(144)	384
Interest income	-	-	-
Interest expense	-	-	-
Segment assets	3,831	587	4,418
Segment liabilities	(2,196)	(139)	(2,335)
Purchases of non-current assets	444	60	504

2017	Provision of financial information £'000	Other £'000	Total £'000
Revenue from external customers	7,814	372	8,186
Depreciation and amortisation	(465)	127	(338)
Other operating expenses	(7,380)	(421)	(7,801)
Segment operating (loss)/profit	(31)	78	47
Interest income	167	-	167
Interest expense	-	-	-
Segment assets	3,935	231	4,166
Segment liabilities	(2,430)	(34)	(2,464)
Purchases of non-current assets	313	103	416

Notes to the financial statements (continued)

Segmental analysis (continued)

The Group's revenues, which wholly relate to the sale of services, from external customers and its non-current assets, are divided into the following geographical areas:

	Revenue 2018	Non-current assets 2018	Revenue 2017	Non-current assets 2017
UK (domicile)	3,466	1,547	3,288	1,278
USA	5,259	955	4,348	977
Other	476	-	550	-
	9,201	2,502	8,186	2,255

Revenues are allocated to the country in which the customer resides. During both 2018 and 2017 no single customer accounted for more than 10% of the Group's total revenues.

4. Operating profit

Operating profit has been arrived at after charging:	2018 £'000	2017 £'000
Foreign exchange loss	41	43
Depreciation and amortisation:		
Depreciation of property, plant and equipment:		
Depreciation on owned property, plant and equipment	68	52
Amortisation of intangible assets	202	286
Gain on disposal of subsidiary	53	56
Change in fair value of embedded derivative charged to profit and loss	-	(975)
Provision for loan note receivable	-	1,200
Employee costs (Note 5)	3,535	3,238
Lease payments on land and buildings held under operating leases	178	196
Audit and non-audit services:		
Fees payable to the company's auditor for the audit of the Company's annual accounts	33	26
For the audit of the company's subsidiaries pursuant to legislation	4	19
Fees payable to the Company's auditor and its associates for other services:		
All other assurance services	10	25
All non-audit services not covered above	3	15
Taxation compliance services	13	13

Remuneration of key senior management for Group and Company

	2018 £'000	2017 £'000
Key senior management comprises only directors.		
Short term employee benefits	1,207	1,229
Share based payments	6	-
Post employment benefits - defined contribution pension plans	86	69
	1,299	1,298
Highest paid director.		
Short term employee benefits	356	394
Share based payments	2	-
Post employment benefits - defined contribution pension plans	39	33
	397	427

Details of the directors' emoluments, together with other related information, are set out in the Remuneration Report on page 13.

Notes to the financial statements (continued)

5. Employees

GROUP

	2018 £'000	2017 £'000
Employee costs (including directors):		
Wages and salaries	3,178	2,935
Social security costs	264	234
Pension costs	86	69
Share based payments	21	-
	3,549	3,238

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

Development	10	9
Sales and Administration	36	23
	46	32

COMPANY

	2018 £'000	2017 £'000 Restated*
Employee costs (including directors):		
Wages and salaries	2,236	1,998
Social security costs	233	203
Pension	86	80
Share based payments	21	-
	2,576	2,281

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

Development	7	6
Sales and Administration	22	17
	29	23

For details of directors' remuneration, see the Remuneration Report on page 13.

Restatement*

It has been identified that the prior year note has been overstated as commission was double counted. This error did not affect the Income Statement or Statement of Financial Position and was an error only in the disclosure.

Notes to the financial statements (continued)

6. Finance income and expense

GROUP AND COMPANY

	2018 £'000	2017 £'000
Finance income		
- Unwinding of discount on receivable for disposal group	-	167
	-	167

7. Income tax expense

GROUP

	2018 £'000	2017 £'000
Current Tax:		
UK corporation tax on profits for the year	22	-
Adjustments in respect of prior periods	27	(16)
Total current taxation	49	(16)
Deferred tax		
Origination and reversal of timing differences	(10)	(14)
Prior period adjustment	30	-
Effect of rate change	(20)	-
Taxation	49	(30)

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:

	2018 £'000	2017 £'000
Profit before tax	442	214
Profit before tax multiplied by the respective standard rate of corporation tax applicable in the UK (19.00%) (2017: 19.75%)	84	42
Effects of:		
Non-deductible expenses	83	40
Enhanced Research & Development expenditure	(156)	(213)
Overseas tax rates	8	51
Surrender of tax losses for R & D tax credit	(15)	-
Adjustments in respect of prior periods	27	(16)
Deferred tax – prior period adjustment	30	30
Deferred tax – difference between opening and current year tax rates	(20)	(14)
Movements in unrecognised deferred tax	8	50
Tax charge/(credit) for the year	49	(30)

Notes to the financial statements (continued)

8. Profit per share

	12 months to 30 June 2018 £'000	12 months to 30 June 2017 £'000
Profit for the year attributable to equity shareholders	393	244
Total loss per share – basic and diluted		
Basic	1.53 p	0.10 p
Diluted	1.53 p	0.10 p
	Shares	Shares
Weighted average number of shares in issue for the year	25,623,845	25,612,338
Dilutive effect of options	100,000	-
Weighted average shares for diluted earnings per share	25,623,845	25,612,338

Where a profit has been recorded but the average share price for the year remains under the exercise price the existence of options is not dilutive.

9. Property, plant and equipment

GROUP

	Leasehold property improvements £'000	**Computer equipment** £'000	**Office equipment** £'000	**Total** £'000
Cost				
At 1 July 2016	48	1,306	289	1,643
Additions	-	20	17	37
At 30 June 2017	48	1,326	306	1,680
Disposal	-	(42)	-	(42)
Additions	-	140	11	151
At 30 June 2018	48	1,424	317	1,789
Depreciation				
At 30 June 2016	48	1,277	250	1,575
Charge for the year	-	25	27	52
At 30 June 2017	48	1,302	277	1,627
Disposal	-	(42)	-	(42)
Charge for the year	-	40	28	68
At 30 June 2018	48	1,300	305	1,653
Net book value				
At 30 June 2018	-	124	12	136
At 30 June 2017	-	24	29	53

Charge over assets

A fixed and floating charge is held by Barclays Bank which covers all the property and undertakings of the company against the provision of any loan, debenture or other bank liability.

Notes to the financial statements (continued)

Property, plant and equipment (continued)

COMPANY

	Leasehold property improvements	Computer equipment	Office equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 July 2016	48	1,259	106	1,413
Additions	-	20	-	20
At 30 June 2017	48	1,279	106	1,433
Additions	-	140	-	140
At 30 June 2018	48	1,419	106	1,573
Depreciation				
At 30 June 2016	48	1,230	106	1,384
Charge for the year	-	25	-	25
At 1 July 2017	48	1,255	106	1,409
Charge for the year	-	40	-	40
At 30 June 2018	48	1,295	106	1,449
Net book value				
At 30 June 2018	-	124	-	124
At 30 June 2017	-	24	-	24

10. Goodwill

GROUP

	£'000
1 July 2017	948
Exchange differences	(7)
At 30 June 2018	941

The goodwill carried in the balance sheet is attributable to InvestorsHub.com Inc.

Impairment testing – InvestorsHub.com Inc.
The Group tests goodwill annually for impairment. During the year, impairment tests were undertaken over the goodwill of InvestorsHub.com Inc. which is considered to be a single CGU. The recoverable amount was determined using a value in use calculation based upon management forecasts for the trading results for the three years ending 30 June 2021 extended to perpetuity without growth.

A discount rate of 10% has been calculated for this exercise based on the estimated likely rate of debt financing for the company. The key assumptions utilised within the forecast model relate to the level of future sales. Increases have been estimated at between 0% and 5%. The closing exchange rate of $1.31/£ has been used. The value in use calculations indicate that InvestorsHub.com Inc. has a recoverable amount which is £1,977,000 greater than the carrying amount of the assets allocated to them. The value of forecast cashflows would have to fall by 80% to reduce the recoverable amount of the CGU to the carrying value of the assets allocated to them. The directors do not feel this is a reasonably possible scenario given the current and foreseeable market activity. The company is expanding and increasingly profitable.

Notes to the financial statements (continued)

11. Other intangible assets

GROUP

	Licences	Brands & subscriber lists	Website development costs	Mobile application	Software	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 July 2016	162	2,387	3,618	10	-	6,177
Exchange differences	-	(258)	-	-	-	(258)
Disposal	-	-	(985)	-	-	(985)
Additions	-	-	277	-	102	379
At 30 June 2017	162	2,129	2,910	10	102	5,313
Additions	-	-	261	-	92	353
At 30 June 2018	162	2,129	3,171	10	194	5,666
Amortisation						
At 1 July 2016	162	2,091	2,595	8	-	4,856
Disposal	-	-	(985)	-	-	(985)
Charge for the year	-	38	236	2	10	286
At 30 June 2017	162	2,129	1,846	10	10	4,157
Charge for the year	-	-	171	-	31	202
At 30 June 2018	162	2,129	2,017	10	41	4,359
Net book value						
At 30 June 2018	-	-	1,154	-	153	1,307
At 30 June 2017	-	-	1,064	-	92	1,156

All additions are internally generated by capitalisation of development work on websites and software projects.

The directors are satisfied that no indication of impairment exists in respect of these assets.

Notes to the financial statements (continued)

Other intangible assets (continued)

COMPANY

	Licenses £'000	Mobile application £'000	Website development £'000	Total £'000
Cost				
At 1 July 2016	100	10	2,538	2,648
Additions	-	-	276	276
At 1 July 2017	100	10	2,814	2,924
Amounts written off	-	-	(985)	(985)
Additions	-	-	262	262
At 30 June 2018	100	10	2,091	2,201
Amortisation				
At 1 July 2016	50	8	2,004	2,062
Charge for the year	10	2	362	374
At 1 July 2017	60	10	2,366	2,436
Amounts written off	-	-	(985)	(985)
Charge for the year	10	-	322	332
At 30 June 2018	70	10	1,703	1,783
Net book value				
At 30 June 2018	30	-	388	418
At 30 June 2017	40	-	448	488

All additions are internally generated by capitalisation of development work on websites.

The directors are satisfied that no indication of impairment exists in respect of these assets.

Notes to the financial statements (continued)

12. Subsidiary companies consolidated in these accounts

COMPANY

	Subsidiaries £'000
At 1 July 2016	2,363
Disposal	(1)
30 June 2018 and 30 June 2017	2,362

	Country of incorporation	% interest in ordinary shares 30 June 2018	Principal activity	Registered address
Cupid Bay Limited	England & Wales	100.00	Internet dating web site	Suite 27, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA
Fotothing Limited	England & Wales	100.00	Dormant	As Cupid Bay Limited
NA Data Inc.	USA	100.00	Office services	PO Box 780 Harrisonville, MO 64701
InvestorsHub.com Inc.	USA	100.00	Financial information web site	As NA Data Inc.
ADVFN Brazil Limited	England & Wales	100.00	Dormant	As Cupid Bay Limited
E O Management Limited	England & Wales	100.00	Dormant	As Cupid Bay Limited
Throgmorton Street Capital Limited	England & Wales	100.00	Dormant	As Cupid Bay Limited
Advessel Limited	England & Wales	100.00	Dormant	As Cupid Bay Limited
All IPO Plc	England & Wales	100.00	IPO information web site	As Cupid Bay Limited
Writer Pub Limited	England & Wales	100.00	Dormant	As Cupid Bay Limited
MJAC InvestorsHub International Conferences Ltd	England & Wales	100.00	Exhibition and business fair organiser	As Cupid Bay Limited

The subsidiary companies Cupid Bay Limited and MJAC InvestorsHub International Conferences Ltd are exempt from audit under s479A of the Companies Act 2006.

13. Investments

As a result of the settlement agreement reached between Bashco Limited and ADVFN Plc for the disposal of Equity Holdings and its subsidiary Equity Development the newly agreed consideration has been paid. This took the form of £50,000 in cash and a shareholding in Equity Holdings of 30%. The shareholding constitutes an available for sale asset and is carried at fair value. The directors have carried out a valuation and derived a carrying value as follows:

	2018 £'000	2017 £'000
Available for sale financial asset – equity investment	3	-

Notes to the financial statements (continued)

14. Deferred 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 & software costs	US temporary differences	UK tax losses	Total
	£'000	£'000	£'000	£'000	£'000
At 1 July 2016	(26)	(205)	(74)	205	(100)
Credit/(charge) to profit or loss	17	(3)	(3)	3	14
Charge to other comprehensive income	92	-	-	-	92
At 30 June 2017	83	(208)	(77)	208	6
Credit/(charge) to profit or loss	-	(14)	-	14	-
Charge to other comprehensive income	(3)	-	1	-	(2)
At 30 June 2018	80	(222)	(76)	222	4

The charge to other comprehensive income refers to the deferred tax effect of foreign exchange differences on the assets of I Hub Inc which are retranslated at each balance sheet date. Deferred tax in subsidiary companies amounted to £nil in All IPO Plc and £nil in I Hub Inc.

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:

	2018	2017
	£'000	£'000
Deferred tax liabilities		
- Website development & software costs	(222)	(208)
- US temporary differences	(76)	(77)
Deferred tax assets		
- Intangible assets	80	83
- UK tax losses	222	208
	4	6

At the balance sheet date the Group had unused tax losses of £5,563,000 (2017: £5,883,000) available for offset against future profits. A deferred tax asset has been recognised in respect of £1,307,000 (2017: £1,000,000) of such losses, as these losses would offset any taxable profits arising as a result of the unwinding of the deferred tax liability in respect of website development costs. No deferred tax asset has been recognised in respect of the remaining £4,256,000 (2017: £4,899,000) due to the unpredictability of future profit streams. Substantially all of the losses may be carried forward indefinitely.

Notes to the financial statements (continued)

15. Trade and other receivables

GROUP

	2018 £'000	2017 £'000
Non-current assets		
Other receivables	111	92
Current assets		
Trade receivables	589	680
Prepayments and accrued income	262	268
Other receivables	4	-
	855	948

The Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored.

COMPANY

	2018 £'000	2017 £'000
Non-current assets		
Other receivables	111	92
Current assets		
Trade receivables	215	231
Prepayments and accrued income	243	221
Amounts owed by Group undertakings	647	596
	1,105	1,048

16. Credit quality of financial assets

GROUP

As of 30 June 2018, trade receivables of £309,000 (2017: £199,000) 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:

	2018 £'000	2017 £'000
Trade receivables overdue by:		
Not more than 3 months	205	60
More than 3 months but not more than 6 months	77	65
More than 6 months but not more than 1 year	27	73
More than 1 year	-	1
	309	199
Impaired receivables allowance account		
At 1 July	38	25
Utilised during the year	(23)	(11)
Created during the year	35	24
At 30 June	50	38

Notes to the financial statements (continued)

Credit quality of financial assets (continued)

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

	2018 £'000	2017 £'000
Sterling	185	219
Euro	16	17
US dollar	388	444
Japanese yen	-	-
	589	680

COMPANY

As of 30 June 2018, trade receivables of £100,000 (2017: £31,000) 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:

	2018 £'000	2017 £'000
Trade receivables overdue by:		
Not more than 3 months	46	21
More than 3 months but not more than 6 months	54	7
More than 6 months but not more than 1 year	-	3
	100	31

Impaired receivables allowance account		
At 1 July	38	25
Utilised during the year	(23)	(11)
Created during the year	10	24
At 30 June	25	38

The carrying amount of the Company's trade receivables is denominated in the following currencies:

	2018 £'000	2017 £'000
Sterling	181	150
Euro	16	17
US dollar	18	64
	215	231

Notes to the financial statements (continued)

17. Financial instruments

GROUP

Categories of financial instrument	2018 £'000	2017 £'000
Non-current		
Trade and other receivables - loans and receivables	111	92
Investments – available for sale financial assets	3	-
Current		
Trade and other receivables - loans and receivables	593	680
Trade and other receivables – non-financial assets	262	268
	855	948
Cash and cash equivalents- loans and receivables	1,061	963
Total loans and receivables	1,765	1,735
Trade and other payables – other financial liabilities at amortised cost	1,651	1,496
Trade and other payables – non financial liabilities	662	968
	2,313	2,464

COMPANY

Categories of financial instrument	2018 £'000	2017 £'000
Non-current		
Trade and other receivables - loans and receivables	111	92
Investments – available for sale financial assets	3	-
Current		
Trade and other receivables - loans and receivables	862	827
Trade and other receivables – non-financial assets	243	221
	1,105	1,048
Cash and cash equivalents- loans and receivables	561	573
Total loans and receivables	1,534	1,492
Trade and other payables – other financial liabilities at amortised cost	1,883	1,574
Trade and other payables – non financial liabilities	613	904
	2,496	2,478

18. Trade and other payables

GROUP

	2018 £'000	2017 £'000
Trade payables	1,071	1,104
Social security and other taxes	61	240
Accrued expenses and deferred income	980	981
Other payables	36	20
Amounts owed to related parties	165	119
	2,313	2,464

Notes to the financial statements (continued)

Trade and other payables (continued)

COMPANY

	2018 £'000	2017 £'000
Trade payables	1,028	1,017
Other tax and social security	51	223
Accruals and deferred income	859	891
Other payables	57	32
Amounts owed to related parties	165	119
Amounts owed to Group undertakings	336	196
	2,496	2,478

19. Share capital

GROUP AND COMPANY

	Shares	£'000
Issued, called up and fully paid Ordinary shares of £0.002 each		
At 30 June 2016	25,523,845	51
Share issue 31 December 2016	100,000	-
At 30 June 2017 and 30 June 2018	25,623,845	51

Share price

The market value of the shares at 30 June 2018 was 31.00p (2017; 19.50p). The range during the year was 19.50p to 55.00p (2017; 19.50p to 30.50p). Shareholders are entitled to one vote per Ordinary share held and dividends will be apportioned and paid proportionately to the amounts paid up on the Ordinary shares held.

20. Share based payments

GROUP AND COMPANY

The Group uses share options as remuneration for services of employees. The fair value is expensed over the remaining vesting period.

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/warrants 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.

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

	2018 WAEP	
	Number	Price (£)
Outstanding at the beginning of the year	2,062,946	0.7810
Granted during the year	390,000	0.4110
Exercised during the year	-	-
Expired during the year	(340,000)	1.5735
Outstanding at the year end	2,112,946	0.585
Exercisable at the year end	2,112,946	0.585

Notes to the financial statements (continued)

Share based payments (continued)

	2017 WAEP	
	Number	Price (£)
Outstanding at the beginning of the year	2,062,946	0.7810
Granted during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the year end	2,062,946	0.7810
Exercisable at the year end	2,062,946	0.7810

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

Expiry date	Exercise Price (£)		2018 Share options	2018 Remaining life	2017 Share options	2017 Remaining life
10 year expiry						
31 December 2022	1.1875	Options	140,000	5	140,000	6
31 December 2022	1.1500	Options	140,000	5	140,000	6
31 December 2022	0.8250	Options	180,000	5	180,000	6
31 December 2022	0.7640	Options	62,946	5	62,946	6
12 December 2024	0.7950	Options	1,200,000	7	1,200,000	8
7 year expiry						
10 June 2018	0.4375	Options	-		220,000	1
10 June 2018	0.3125	Options	-		120,000	1
82 year expiry						
24 November 2099	0.4750	Options	50,000	82	-	-
7 year expiry						
12 December 2024	0.4375	Options	220,000	7	-	-
12 December 2024	0.3125	Options	120,000	7	-	-
			2,112,946	8	2,062,946	6

No options were exercised during the year.

The total expense recognised during the year by the Group, for all schemes, was £21,000 (2017: £nil).

21. Operating lease commitments

GROUP AND COMPANY

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

Land & buildings	2018 £'000	2017 £'000
Within one year	181	200
Two to five years	301	332
	482	532

The lease expense in the period amounted to £178,000 (2017: £196,000)

Notes to the financial statements (continued)

22. Financial risk management

The Group and Company'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. All companies within the group apply the same risk management programme, overall this 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 currency monetary assets and liabilities are taken to the income statement.

GROUP

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

	2018		2017	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
US Dollars	1,638	219	1,777	432
Euros	58	79	70	33
Yen	5	23	11	14
Other	-	10	-	4
	1,701	331	1,858	483

COMPANY

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

	2018		2017	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
US Dollars	72	144	118	299
Euros	58	79	70	33
Yen	5	23	11	14
Other	-	10	-	4
	135	256	199	350

Notes to the financial statements (continued)

Financial risk management (continued)

Foreign exchange risk (continued)

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 profit and equity of strengthening or weakening of the US Dollar in relation to sterling by 10% would result in a movement of:
Group - ±£78,000 (2017: ±£24,000).
Company - ±£5,000 (2017: ±£4,000).

Interest rate risk
As the Group carries no borrowings the directors consider that there is no significant interest rate risk.

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:
Group - £1,765,000 (2017: £1,735,000).
Company - £1,534,000 (2017: £1,492,000).

Provision of services by members of the Group results in trade receivables which the management consider to be of low risk, other receivables 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. For additional information on receivables see note 15.

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.

Notes to the financial statements (continued)

Financial risk management (continued)

c) Liquidity risk

The Group currently holds 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. Liabilities are disclosed as follows:

GROUP

2018	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	1,071	-	-	-
Accruals	382	-	-	-
Other payables	32	-	-	-
Amounts owed to related parties	165			

2017	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	1,104	-	-	-
Accruals	253	-	-	-
Other payables	20	-	-	-
Amounts owed to related parties	119	-	-	-

COMPANY

2018	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	1,028	-	-	-
Accruals	298	-	-	-
Other	57	-	-	-
Amounts owed to related parties	165	-	-	-
Amounts owed to Group undertakings	336	-	-	-

2017	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	1,136	-	-	-
Accruals	209	-	-	-
Other	32	-	-	-
Amounts owed to related parties	119	-	-	-
Amounts owed to Group undertakings	196	-	-	-

The Directors consider that the carrying amount of trade and other receivables in both the Group and Company is approximately equal to their fair value.

Notes to the financial statements (continued)

Financial risk management (continued)

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 a volatile and tight credit economy.

The Group will also seek to minimise the cost of capital and attempt to optimise the capital structure, which currently means maintaining equity funding and keeping debt levels to insignificant amounts of lease funding. Share capital and premium together amount to £196,000 (see page 18).

Whilst the Group does not currently pay dividends it is part of the capital strategy to provide returns for shareholders and benefits for other members in the future. However, the Group is planning growth and it will continue to be important to maintain the Groups credit rating and ability to borrow should acquisition targets become available.

Capital for further development of the Group's activities will, where possible, be achieved by share issues and not by carrying significant debt.

23. Capital commitments

GROUP AND COMPANY

At 30 June 2018 neither the Group nor the Company had any capital commitments (2017: £nil).

24. Related party transactions

GROUP

Online Blockchain Plc is related by virtue of having common directors, M J Hodges, C H Chambers and J B Mullins and as Online Blockchain Plc holds approximately 17.98% of the shares in the Company. Advertising recharges were paid to Online Blockchain Plc amounting to £52,000 (2017: £98,000). Online Blockchain Plc was owed £165,000 by ADVFN Plc at the balance sheet date.

Clement Chambers has two sons who work as consultants for ADVFN on software projects. Their invoices for the year amounted to £51,000 (2017: £ nil).

Brian Basham is also the majority shareholder of Equity Holdings Limited and its subsidiary Equity Developments Limited; for additional details please refer to note 25.

The remuneration paid to Directors is disclosed on page 11 of the Directors' Report; there were no other related party transactions.

COMPANY

Online Blockchain Plc is related by virtue of having common directors, M J Hodges, C H Chambers and J B Mullins and as Online Blockchain Plc holds approximately 17.98% of the shares in the company. Advertising recharges were paid to Online Blockchain Plc amounting to £52,000 (2017: £98,000). Online Blockchain Plc was owed £165,000 by ADVFN Plc at the balance sheet date.

Clement Chambers has two sons who work as consultants for ADVFN on software projects. Their invoices for the year amounted to £51,000 (2017: £ nil).

Brian Basham is also the majority shareholder of Equity Holdings Limited and its subsidiary Equity Developments Limited; for additional details please refer to note 25.

The remuneration paid to Directors is disclosed on page 11 of the Directors' Report; there were no other related party transactions.

Notes to the financial statements (continued)

25. Disposal of Equity Holdings Ltd and Equity Developments Ltd

GROUP AND COMPANY

Following the failure of Bashco Limited to make any payments to the Company for the acquisition of Equity Holdings Ltd and its subsidiary Equity Developments Ltd, the Company decided that it was not in its interests to take back the majority ownership of the disposed companies. The companies were not within the Group's core operations and disposal had been the correct decision. In order that the option to take back the disposed companies should lapse it was agreed between the parties that a payment be made by Bashco Ltd to ADVFN Plc amounting to a cash payment of £50,000 plus the issue to ADVFN Plc of shares amounting to a 30% stake in the disposed companies (as announced on 9 March 2018). These payments have now been received and the parties consider the transaction complete. The Directors have considered whether they have significant control over Equity Holdings as a result of this shareholding and have decided that this is not the case. The shareholding is therefore recognised as an available for sale financial asset within investments on the balance sheet.

26. Events after the balance sheet date

There are no events of significance occurring after the balance sheet date to report.

27. 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 ADVFN plc will be held in the Conference Room, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA on the 14th December 2018 at 10.00 a.m. for the following purposes:

Ordinary Business

1 To receive and adopt the financial statements and reports of the directors and auditors for the financial period ended 30 June 2018.

2 To re-elect Mr M Collom 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 B Basham 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 authorise the directors to appoint auditors for 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 2019 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 resolution:-
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 2019 save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

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

By order of the Board
J Mullins
CFO

2nd November 2018

ADVFN PLC
NOTES:

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

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

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

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

5. To be effective, the enclosed Form of Proxy must be duly completed and deposited together with any power of attorney or other authority (if any) under which it is executed (or a duly certified copy of such power or authority) and lodged at the offices of the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA no later than 10.00 a.m. on 12th December 2018. 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 12th December 2018 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.

ADVFN PLC

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING ("AGM") OF ADVFN PLC (THE "COMPANY")
At the AGM, resolutions will be proposed as explained below.

Resolution 1 – Receiving the accounts
An ordinary resolution will be proposed that the report of the directors and the accounts for the year ended 30 June 2018 together with the report of the auditors on those accounts be received and adopted.

Resolution 2 – Re-election of Mr M Collom as a director of the Company
An ordinary resolution will be proposed to re-elect Mr. M Collom, who is retiring and, being eligible, offers himself for re-election as a director of the Company.

Resolution 3 – Re-election of Mr B Basham as a director of the Company
An ordinary resolution will be proposed to re-elect Mr B Basham, 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 the directors appoint auditors for the Company to hold office until the conclusion of the next annual general meeting of the Company and that their remuneration be fixed by the directors of the Company (the "**Directors**") from time to time.

Special Business

Resolution 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 2019.

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 2019.

ADVFN PLC

FORM OF PROXY
To:
The Directors
ADVFN PLC (the Company)
c/o Neville Registrars Limited
Neville House
18 Laurel Lane
Halesowen
B63 3DA

Dear Sirs

I/We……
of……
being a member of the Company hereby appoint……..
of…….
or failing him, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 14th December 2018 at 10.00 a.m. and at any adjournment thereof.
I/we direct that my/our proxy vote as indicated below in respect of the resolutions, which are referred to in the notice convening the meeting (see note 1 below).

Resolutions For Against	**For**	**Against**	**Withheld**
Ordinary Resolutions:			
1. To adopt the Report and Accounts for the year ended 30 June 2018	☐	☐	☐
2. To re-elect Mr M Collom as a director of the Company	☐	☐	☐
3 To re-elect Mr B Basham as a director of the Company	☐	☐	☐
4. To appoint Auditors for the Company	☐	☐	☐
Special Business			
5. To authorise the directors to allot shares or grant rights pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**")	☐	☐	☐
6. To authorise 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.	☐	☐	☐

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 revoking your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. In the case of a corporation, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

7. If you submit more than one valid proxy appointment but the instructions in such appointments are not compatible with each other, the appointment received last before the latest time for the receipt of proxies will take precedence.

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Business Reply Plus
Licence Number
RSTY-SAKX-RZSL

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

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