

?What If! Holdings Limited

Annual Report and Financial Statements

For the year ended 31 December 2015



?What If! Holdings Limited

Company Information

Directors	D Allan M Kingdon S Pajwani
Secretary	J Hoare
Company number	03745474
Registered office	5th Floor 89 New Bond Street London W1S 1DA
Auditors	Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL
Bankers	HSBC Bank Plc Commercial Centre 465 Bethnal Green Road London E2 9QW

?What If! Holdings Limited

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?What If! Holdings Limited

Strategic Report

For the year ended 31 December 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Fair review of the business

Turnover for the year was £29.2 million (2014: £31.5 million).

Operating profit for the year was £0.45 million (2014: operating loss £0.6million).

Following the 2014 Group restructuring in both the US and UK, and despite the resulting reduction in headcount and revenue, operating margins improved significantly in the year.

During the year the Group continued to invest heavily in strengthening its management team and commercial systems.

Principal risks and uncertainties

The directors consider that the economic environment is slowly improving but the fragility of the recovery remains a concern; however the Group has a broad FTSE client base and strong client relationships.

The Group monitors cash flows as part of its day to day control procedures. The Board considers cashflow projections on a regular basis and ensures appropriate facilities are drawn upon as appropriate.

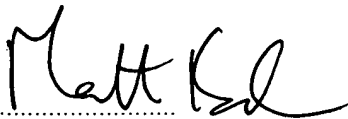
Key performance indicators

Our financial KPIs are turnover, operating margin and earnings before interest, tax, depreciation and amortisation (EBITDA), the latter being the best indicator of cash generation.

The Board considers the results acceptable, given the prevailing economic conditions, and is confident that the company is optimally positioned to enjoy strong and sustainable growth.

Other KPIs include reporting on the number of briefs, the ratio of successful conversion and the lead time from receiving a brief to starting work. The Board considers this information to be commercially sensitive.

On behalf of the board



M Kingdon

Director

21 September 2016

?What If! Holdings Limited

Directors' Report

For the year ended 31 December 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the business continues to be that of innovating brands, products and services, transforming clients' innovation capability, and resolving clients' strategic innovation challenges.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Allan
M Kingdon
S Pajwani

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £692,462. The directors do not recommend payment of a final dividend.

Future developments

The company continues to develop its digital learning platform.

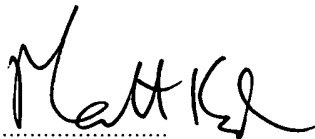
Auditors

In accordance with the company's articles, a resolution proposing that Kingston Smith LLP be reappointed as auditors of the group will be put at a General Meeting.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M Kingdon
Director

21 September 2016

?What If! Holdings Limited

Directors' Responsibilities Statement

For the year ended 31 December 2015

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

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

?What If! Holdings Limited

Independent Auditors' Report

To the Members of ?What If! Holdings Limited

We have audited the financial statements of ?What If! Holdings Limited for the year ended 31 December 2015 which comprise the Consolidated Profit And Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

?What If! Holdings Limited

Independent Auditors' Report (Continued)

To the Members of ?What If! Holdings Limited

Matters on which we are required to report by exception

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

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

Kingston Smith LLP

Ian Graham (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

22/9/16

Chartered Accountants
Statutory Auditor

Charlotte Building
17 Gresse Street
London
W1T 1QL

?What If! Holdings Limited

Consolidated Profit and Loss Account

For the year ended 31 December 2015

	Notes	2015 £	2014 £
Turnover	3	29,199,408	31,540,729
Cost of sales		(12,300,872)	(12,817,779)
Gross profit		16,898,536	18,722,950
Administrative expenses		(16,572,226)	(19,535,054)
Other operating income		123,325	-
Exceptional items	4	-	203,884
Operating profit/(loss)	5	449,635	(608,220)
Interest receivable and similar income	8	6,170	13,577
Interest payable and similar charges	9	(70,337)	(32,743)
Amounts written off investments	10	-	(18,634)
Profit/(loss) on ordinary activities before taxation		385,468	(646,020)
Tax on profit on ordinary activities	11	(99,102)	40,482
Profit/(loss) on ordinary activities after taxation		286,366	(605,538)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

?What If! Holdings Limited

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2015

	2015 £	2014 £
Profit/(loss) for the year	286,366	(605,538)
Other comprehensive income		
Currency translation differences	27,771	136,793
Total comprehensive income for the year	<u>314,137</u>	<u>(468,745)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

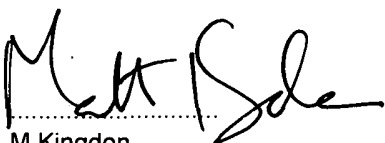
?What If! Holdings Limited

Group Balance Sheet

As at 31 December 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Goodwill	13	621,878		816,797	
Tangible assets	14	1,257,630		1,802,942	
Investments	15	204,352		204,352	
		<u>2,083,860</u>		<u>2,824,091</u>	
Current assets					
Stocks	17	221,074		313,477	
Debtors	18	7,774,492		7,774,886	
Cash at bank and in hand		1,389,256		1,563,755	
		<u>9,384,822</u>		<u>9,652,118</u>	
Creditors: amounts falling due within one year	19	<u>(5,895,263)</u>		<u>(6,459,107)</u>	
Net current assets		<u>3,489,559</u>		<u>3,193,011</u>	
Total assets less current liabilities		<u>5,573,419</u>		<u>6,017,102</u>	
Creditors: amounts falling due after more than one year	20	(994,541)		(1,565,357)	
Provisions for liabilities	22	(227,000)		(214,000)	
		<u>4,351,878</u>		<u>4,237,745</u>	
Capital and reserves					
Called up share capital	25	2,390		2,390	
Other reserves		899,357		379,128	
Capital redemption reserve		960		960	
Profit and loss reserves		3,449,171		3,855,267	
Shareholders' funds		<u>4,351,878</u>		<u>4,237,745</u>	

The financial statements were approved by the board of directors and authorised for issue on 21st Sept 2016 and are signed on its behalf by:



M Kingdon
Director

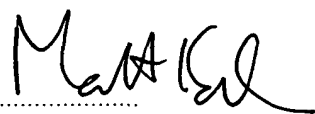
?What If! Holdings Limited

Company Balance Sheet

As at 31 December 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Goodwill	13		126,111		189,166
Investments	15		3,075,165		3,074,916
			<u>3,201,276</u>		<u>3,264,082</u>
Current assets					
Debtors	18	117,634		113,165	
Cash at bank and in hand		42,000		14,528	
		<u>159,634</u>		<u>127,693</u>	
Creditors: amounts falling due within one year	19	<u>(3,707,476)</u>		<u>(3,544,913)</u>	
Net current liabilities			<u>(3,547,842)</u>		<u>(3,417,220)</u>
Total assets less current liabilities			<u>(346,566)</u>		<u>(153,138)</u>
Capital and reserves					
Called up share capital	25		2,390		2,390
Other reserves			(402,464)		(402,464)
Capital redemption reserve			896		896
Profit and loss reserves			52,612		246,040
Shareholders' funds			<u>(346,566)</u>		<u>(153,138)</u>

The financial statements were approved by the board of directors and authorised for issue on 21st September 2016 and are signed on its behalf by:



M Kingdon
Director

Company Registration No. 03745474

?What If! Holdings Limited

Group Statement of Changes in Equity

For the year ended 31 December 2015

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 January 2014		2,390	896	242,399	6,673,506	6,919,191
Period ended 31 December 2014:						
Loss and total comprehensive income for the year		-	-	-	(605,538)	(605,538)
Bonus issue of shares	25	-	-	-	(2,212,701)	(2,212,701)
Transfers		-	64	(64)	-	-
Foreign currency translation differences		-	-	136,793	-	136,793
Balance at 31 December 2014		2,390	960	379,128	3,855,267	4,237,745
Period ended 31 December 2015:						
Profit and total comprehensive income for the year		-	-	-	286,366	286,366
Total comprehensive income for the year		-	-	-	286,366	286,366
Dividends	12	-	-	-	(200,004)	(692,462)
Capital distribution		-	-	492,458	(492,458)	-
Foreign currency translation differences		-	-	27,771	-	27,771
Balance at 31 December 2015		2,390	960	899,357	3,449,171	4,351,878

?What If! Holdings Limited

Company Statement of Changes in Equity

For the year ended 31 December 2015

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 January 2014		2,390	896	(402,464)	1,252,744	853,566
Period ended 31 December 2014:						
Loss and total comprehensive income for the year		-	-	-	(1,006,704)	(1,006,704)
Balance at 31 December 2014		2,390	896	(402,464)	246,040	(153,138)
Period ended 31 December 2015:						
Profit and total comprehensive income for the year		-	-	-	6,576	6,576
Dividends	12	-	-	-	(200,004)	(200,004)
Balance at 31 December 2015		2,390	896	(402,464)	52,612	(346,566)

?What If! Holdings Limited

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

	Notes	2015 £	£	2014 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	30		(116,150)		475,060
Interest paid			(70,337)		(32,743)
Income taxes (paid)/refunded			(256,125)		116,332
Net cash (outflow)/inflow from operating activities			(442,612)		558,649
Investing activities					
Purchase of tangible fixed assets		(86,233)		(280,620)	
Proceeds on disposal of tangible fixed assets		2,748		6,740	
Proceeds on disposal of fixed asset investments		-		228,885	
Interest received		6,170		419	
Dividends received		-		13,158	
Net cash used in investing activities			(77,315)		(31,418)
Financing activities					
Purchase of own shares		-		(276,588)	
Dividends paid to equity shareholders		(200,004)		-	
Non-cash changes		46,082		39,875	
Net cash used in financing activities			(153,922)		(236,713)
Net (decrease)/increase in cash and cash equivalents			(673,849)		290,518
Cash and cash equivalents at beginning of year			1,065,732		775,214
Cash and cash equivalents at end of year			391,883		1,065,732
Relating to:					
Cash at bank and in hand			1,389,256		1,563,755
Bank overdrafts included in creditors payable within one year			(997,373)		(498,023)

?What If! Holdings Limited

Notes to the Financial Statements

For the year ended 31 December 2015

1 Accounting policies

Company information

?What If! Holdings Limited ("the Company") is a limited company domiciled and incorporated in England and Wales. The registered office is 5th Floor, 89 New Bond Street, London, W1S 1DA.

The Group consists of ?What If! Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 31 December 2015 are the first financial statements of ?What If! Holdings Limited and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was £6,576 (2014 - £1,006,704 loss).

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

1 Accounting policies

(Continued)

1.2 Basis of consolidation

The consolidated financial statements incorporate those of ?What If! Holdings Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2015.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.5 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of between 8 and 20 years.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	25% straight line
Plant and machinery	25% straight line
Fixtures, fittings & equipment	20% to 33.3% straight line
Computer equipment	33.3% - 50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

1 Accounting policies

(Continued)

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

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

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

1 Accounting policies

(Continued)

1.13 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.17 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account. The profit and loss accounts of overseas subsidiary undertakings are translated into pounds sterling at average exchange rates and the year-end net assets of these companies are translated at year-end exchange rates. Exchange differences arising from retranslation of the opening net assets and on foreign currency borrowings (to the extent that they hedge the Group's investment in such operations) are reported in the consolidated statement of recognised gains and losses. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

1.18 Employee benefit trust

In accordance with UITF 32 - Employee Benefit Trusts and Other Intermediate Payment Arrangements, the company includes the assets and liabilities of that trust within its balance sheet. In the event of the winding up of the company, neither the shareholders nor the creditors of the company would be entitled to the assets of the employee benefit trust.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Deferred Tax

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. See note XX for the carrying amount and further details.

Amortisation

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. Goodwill impairment reviews are also performed annually. These reviews require an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise for the cash generating unit and a suitable discount rate to calculate present value. See note 13 for the carrying amount of the intangible assets and note 1.5 for the useful economic lives for each class of asset.

Depreciation

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property, plant and equipment and note 1.6 for the useful economic lives for each class of asset.

Revenue Recognition

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones in the contract and the time spent to date compared to the total time expected to be required to undertake the contract. Estimates of the total time required to undertake the contracts are made on a regular basis and subject to management review.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2015 £	2014 £
Turnover		
Services	29,199,408	31,540,729
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	6,170	419
Dividends received	-	13,158
	<u> </u>	<u> </u>

Turnover analysed by geographical market

	2015 £	2014 £
United Kingdom	9,404,737	13,668,594
Rest of Europe	2,600,213	-
North America	14,341,416	14,227,033
Middle East	130,752	-
Asia	2,481,031	3,645,102
Australia	241,259	-
	<u> </u>	<u> </u>
	29,199,408	31,540,729
	<u> </u>	<u> </u>

4 Exceptional costs/(income)

	2015 £	2014 £
Profit on sale of investments	-	(203,884)
	<u> </u>	<u> </u>
	-	(203,884)
	<u> </u>	<u> </u>

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

5 Operating profit

	2015 £	2014 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	167,922	(43,391)
Depreciation of owned tangible fixed assets	636,650	693,109
Loss on disposal of tangible fixed assets	40,565	(9,835)
Amortisation of intangible assets	194,919	193,531
Cost of stocks recognised as an expense	7,561,170	7,468,608
Operating lease charges	760,007	1,409,538

6 Auditors' remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the group and company	13,550	18,028
Audit of the company's subsidiaries	45,658	34,466
	59,208	52,494

7 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2015 Number	2014 Number
Administration	63	72
Sales	109	146
	172	218

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	14,750,794	15,270,541
Social security costs	1,337,840	1,353,214
Pension costs	676,636	494,425
	16,765,270	17,118,180

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

8 Interest receivable and similar income

	2015 £	2014 £
Interest income		
Interest on bank deposits	6,165	419
Other interest income	5	-
	<u>6,170</u>	<u>419</u>
Total interest revenue	6,170	419
Other income from investments		
Dividends received	-	13,158
	<u>6,170</u>	<u>13,577</u>
Total income	6,170	13,577

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	6,165	419
	<u>6,165</u>	<u>419</u>

9 Interest payable and similar charges

	2015 £	2014 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	70,337	32,543
Interest on other loans	-	200
	<u>70,337</u>	<u>32,743</u>

10 Amounts written off investments

	2015 £	2014 £
Amounts written off fixed asset investments	-	18,634
	<u>-</u>	<u>18,634</u>

11 Taxation

	2015 £	2014 £
Current tax		
Foreign current tax on profits for the current period	132,902	88,968
Adjustments in foreign tax in respect of prior periods	-	(106,821)
	<u>132,902</u>	<u>(17,853)</u>
Total current tax	132,902	(17,853)

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

11 Taxation

(Continued)

Deferred tax

Origination and reversal of timing differences	(33,800)	(22,629)
Total tax charge	<u>99,102</u>	<u>(40,482)</u>

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015 £	2014 £
Profit/(loss) before taxation	<u>385,468</u>	<u>(646,020)</u>
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2014: 20.00%)</i>	77,094	(129,204)
Tax effect of expenses that are not deductible in determining taxable profit	46,978	4,161
Tax effect of income not taxable in determining taxable profit	-	(2,632)
Tax effect of utilisation of tax losses not previously recognised	(59,835)	-
Group relief	(33,152)	-
Permanent capital allowances in excess of depreciation	-	(5)
Other permanent differences	18,685	(42,696)
Effect of overseas tax rates	42,419	80,581
Movements on provisions	(1,036)	-
Movements on deferred tax balances	(33,801)	(22,629)
Movements on unrecognised deferred tax balances	41,750	71,942
Tax expense for the year	<u>99,102</u>	<u>(40,482)</u>

12 Dividends

	2015 £	2014 £
Final paid	<u>200,004</u>	-
	<u>200,004</u>	-

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

13 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	3,157,089
Amortisation and impairment	
At 1 January 2015	2,340,292
Amortisation charged for the year	194,919
At 31 December 2015	2,535,211
Carrying amount	
At 31 December 2015	621,878
At 31 December 2014	816,797
Company	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	550,846
Amortisation and impairment	
At 1 January 2015	361,680
Amortisation charged for the year	63,055
At 31 December 2015	424,735
Carrying amount	
At 31 December 2015	126,111
At 31 December 2014	189,166

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

14 Tangible fixed assets

Group	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2015	2,457,608	1,413,575	222,783	17,495	4,111,461
Additions	-	85,209	24	1,000	86,233
Disposals	(469,431)	(303,380)	(63,426)	(11,912)	(848,149)
Exchange adjustments	65,774	39,076	-	-	104,850
At 31 December 2015	2,053,951	1,234,480	159,381	6,583	3,454,395
Depreciation and impairment					
At 1 January 2015	1,385,118	770,679	139,781	12,941	2,308,519
Depreciation charged in the year	240,836	339,173	54,503	2,138	636,650
Eliminated in respect of disposals	(442,449)	(288,046)	(62,429)	(11,912)	(804,836)
Exchange adjustments	33,264	23,168	-	-	56,432
At 31 December 2015	1,216,769	844,974	131,855	3,167	2,196,765
Carrying amount					
At 31 December 2015	837,182	389,506	27,526	3,416	1,257,630
At 31 December 2014	1,072,490	642,896	83,002	4,554	1,802,942

The company had no tangible fixed assets at 31 December 2015 or 31 December 2014.

15 Fixed asset investments

	Notes	Group 2015 £	2014 £	Company 2015 £	2014 £
Investments in subsidiaries	29	121,374	121,374	2,992,437	2,992,188
Listed investments		82,728	82,728	82,728	82,728
Unlisted investments		250	250	-	-
		204,352	204,352	3,075,165	3,074,916
Listed investments included above:					
Listed investments carrying amount		82,728	82,728	82,728	82,728

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

15 Fixed asset investments

(Continued)

Movements in fixed asset investments Group

Shares
£

Cost or valuation

At 31 December 2015

204,352

Disposals

(250)

At 31 December 2015

204,102

Carrying amount

At 31 December 2015

204,102

At 31 December 2014

204,352

Movements in fixed asset investments Company

Shares
£

Cost or valuation

At 31 December 2015

3,074,916

Additions

249

At 31 December 2015

3,075,165

Carrying amount

At 31 December 2015

3,075,165

At 31 December 2014

3,074,916

16 Financial instruments

	Group 2015 £	2014 £	Company 2015 £	2014 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	6,804,974	6,804,052	6,804,974	6,804,052
Equity instruments measured at cost less impairment	204,352	204,352	3,075,165	3,074,916
Carrying amount of financial liabilities				
Measured at amortised cost	4,973,530	5,662,566	4,973,530	5,662,566

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

17 Stocks

	Group 2015 £	2014 £	Company 2015 £	2014 £
Work in progress	221,074	313,477	-	-

18 Debtors

	Group 2015 £	2014 £	Company 2015 £	2014 £
Amounts falling due within one year:				
Trade debtors	4,625,063	5,422,634	-	-
Corporation tax recoverable	355,297	304,182	-	-
Amounts due from fellow group undertakings	-	-	109,539	111,520
Other debtors	888,792	867,811	8,095	1,645
Prepayments and accrued income	1,599,803	908,321	-	-
	7,468,955	7,502,948	117,634	113,165
Deferred tax asset (note 23)	305,537	271,938	-	-
	7,774,492	7,774,886	117,634	113,165
Amounts falling due after one year:				
Other debtors	200,000	200,000	-	-

Included in other debtors is a rent deposit of £475,444 (2014: £475,444) in respect of a property in the United States. The initial lease term has expired and the on-going notice period is now less than one year, as a result the rent deposit is included in other debtors.

19 Creditors: amounts falling due within one year

	Notes	Group 2015 £	2014 £	Company 2015 £	2014 £
Loans and overdrafts	21	997,373	498,023	-	-
Corporation tax payable		-	72,309	-	-
Other taxation and social security		382,014	742,684	-	-
Trade creditors		1,017,901	1,274,933	11,627	5,975
Amounts due to fellow group undertakings		-	-	3,622,815	3,477,146
Other creditors		969,019	961,213	51,540	40,045
Accruals and deferred income		2,528,956	2,909,945	21,494	21,747
		5,895,263	6,459,107	3,707,476	3,544,913

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

20 Creditors: amounts falling due after more than one year

	Group 2015 £	2014 £	Company 2015 £	2014 £
Other creditors	994,541	1,565,357	-	-

Amounts due represent an interest free loan from one of the group's landlords. The balance is being repaid at a rate of \$100,000 USD per annum.

21 Loans and overdrafts

	Group 2015 £	2014 £	Company 2015 £	2014 £
Bank overdrafts	997,373	498,023	-	-
Payable within one year	997,373	498,023	-	-

22 Provisions for liabilities

	Group 2015 £	2014 £	Company 2015 £	2014 £
	227,000	214,000	-	-

Movements on provisions:

Group	£
At 1 January 2015	214,000
Additional provisions in the year	33,000
Utilisation of provision	(20,000)
At 31 December 2015	227,000

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

23 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2015 £	Assets 2014 £
Group		
Accelerated capital allowances	130,308	63,279
Tax losses	175,229	208,659
	<u>305,537</u>	<u>271,938</u>
Charge to profit or loss	(242,258)	-

24 Retirement benefit schemes

	2015 £	2014 £
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	<u>676,636</u>	<u>494,425</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

25 Share capital

	Group and company	
	2015	2014
	£	£
Ordinary share capital		
Authorised		
2,390,763 Ordinary shares of 0.1p each	2,390	2,390
	<u> </u>	<u> </u>
Issued and fully paid		
2,390,763 Ordinary shares of 0.1p each	2,390	2,390
	<u> </u>	<u> </u>

During 2014 20 common stock in ?What If! USA Limited of \$1 each were repurchased by the company from an individual for a total compensation of £2,212,701. Consideration for this repurchase is payable in eight six monthly installments which commenced on 31 December 2014.

Share options

Certain employees from the subsidiary undertakings and the Company hold options to subscribe for shares in the Company at prices ranging from £1.20 to £5.00. The number of shares subject to options and the periods in which they were granted are given below. These all have exercise periods of 5 years.

Date of grant	1 Jan 2015	Exercised in the year	Number of shares Lapsed in the year	31 Dec 2015	Exerciseable at year end	Exercise price (p)
04/01/2006	8,000		8,000			120
24/04/2006	7,000			7,000	7,000	334
01/10/2007	19,000			19,000	19,000	469
10/03/2009	12,000			12,000	12,000	120
10/03/2009	7,000		7,000			469
19/01/2010	16,000		4,000	12,000	12,000	121
19/01/2010	80,000			80,000	80,000	162
19/01/2010	8,000			8,000	8,000	500
	<u>157,000</u>	<u> </u>	<u>19,000</u>	<u>138,000</u>	<u>138,000</u>	

The fair value has been calculated using the Black Scholes option pricing model. There were no options granted in 2015 or 2014.

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

26 Financial commitments, guarantees and contingent liabilities

The group has given a cross guarantee to HSBC Plc on facilities provided to three companies within the group. The group's indebtedness to its bankers under this arrangement as at 31 December 2014 amounted to £328,609 (2014: £nil).

The company has a debenture in respect of HSBC Plc, which is secured by a fixed and floating charge over the assets of the company.

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Within one year	15,786	51,058	-	-
Between two and five years	1,076,000	1,010,066	-	-
	<u>1,091,786</u>	<u>1,061,124</u>	<u>-</u>	<u>-</u>

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2015	2014
	£	£
Aggregate compensation	<u>1,162,752</u>	<u>1,131,899</u>

No guarantees have been given or received.

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2014: 2).

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

28 Related party transactions

(Continued)

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

During 2015 sales totalling £16,204 (2014: £27,902) were made to Irrigo Limited with a debtor outstanding at 31 December 2015 of £Nil (2014: £107). Irrigo Limited is related to the company because D Allen (shareholder and director of ?What If! Holdings Limited) has significant influence over the company through shareholding and directorship in Irrigo Limited.

During 2015 sales totalling £4,343 (2014: £Nil) were made to Void Technologies Limited with a debtor outstanding at 31 December 2015 of £778 (2014: £Nil). Void Technologies Limited is related to the company because D Allen (shareholder and director of ?What If! Holdings Limited) has significant influence over the company through shareholding and directorship in Void Technologies Limited.

During the year the company gifted £nil (£180,000) to the Employee Benefit Trust.

During the year the company continued to repurchase ordinary stock as previously agreed in ?What If! USA Inc from a director for total consideration of £2,212,701. At the balance sheet date an amount of £1,451,151 was outstanding in respect of this amount. Of the balance outstanding £870,684 is due in more than one year.

No amounts were written off or provided for during the year in respect of any of the amounts above.

29 Subsidiaries

Details of the company's subsidiaries at 31 December 2015 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held
?What If! Limited	England & Wales	Innovation	Ordinary	100
?What If! Training Limited*	England & Wales	Dormant	Ordinary	100
?What If! Investors Limited*	England & Wales	Dormant	Ordinary	100
?What If! USA Inc.	USA	Innovation	Ordinary	100
?What If! Ventures Limited	England & Wales	Dormant	Ordinary	100
?What If! Joint Ventures Limited	England & Wales	Innovation	Ordinary	100
?What If! China Holdings Limited	England & Wales	Holding company	Ordinary	100
?What If! (Shanghai) Co Ltd+	China	Innovation	Ordinary	100
Nobby Styles Limited	England & Wales	Dormant	Ordinary	100
Dr Greenfingers (Holdings) Ltd	England & Wales	Dormant	Ordinary	100
?What If! (Hong Kong) Co. Limited+	Hong Kong	Innovation	Ordinary	100
?What If! Singapore x	Singapore	Innovation	Ordinary	100
?What If! Brazil	Brazil	Innovation	Ordinary	100
Byotrol Plc	England & Wales	Management	Ordinary	1
Irrigo Limited	England & Wales	Management	Ordinary B	1

?What If! Holdings Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2015

29 Subsidiaries

(Continued)

* owned via ?What If! Limited
+ owned via ?What If! Singapore
x owned via ?What If! China Holdings

All of the 100% owned subsidiaries are included in the consolidated accounts because ?What If! Holdings Limited owns 100% of the share capital and controls 100% of the voting rights.

30 Cash generated from operations

	2015 £	2014 £
Profit/(loss) for the year after tax	286,366	(605,538)
Adjustments for:		
Taxation charged/(credited)	99,102	(40,482)
Finance costs	70,337	32,743
Investment income	(6,170)	(13,577)
Loss on disposal of tangible fixed assets	40,565	9,835
Amortisation and impairment of intangible assets	194,919	194,919
Depreciation and impairment of tangible fixed assets	636,650	669,783
Gain on sale of investments	-	(203,884)
Amounts written off investments	-	18,634
Increase in provisions	13,000	33,000
Movements in working capital:		
Decrease in stocks	104,901	58,483
Decrease in debtors	255,201	1,538,638
(Decrease) in creditors	(1,811,021)	(1,217,494)
Cash (absorbed by)/generated from operations	(116,150)	475,060