


ROK GLOBAL PLC
Annual Report and Group Accounts
For the year ended 31 March 2015

Company number 06253633



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A05	26/09/2015	#369
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ROK GLOBAL PLC

COMPANY INFORMATION

For the year ended 31 March 2015

Company Registration Number	06253633
Registered Office	ROK House Kingswood Business Park Holyhead Road Albrighton Staffordshire UK WV7 3AU
Directors	Mr J M Kendrick Mr J L Kendrick
Secretary	David Venus & Company LLP Thames House Portsmouth Road Esher UK KT10 9AD
Registrars	Computershare Investor Services Limited The Pavilions Bridgwater Road Bristol UK BS13 8AE
Auditors	Edwards Chartered Accountants 34 High Street Aldridge Walsall West Midlands UK WS9 8LZ

ROK GLOBAL PLC

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For the year ended 31 March 2015

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ROK GLOBAL PLC

STRATEGIC REPORT

For the year ended 31 March 2015

The financial statements contain information about ROK Global PLC (the "Company") and its subsidiary undertakings (the "Group") on a consolidated basis

The directors present their strategic report on the Group for the year ended 31 March 2015

Review of the business

In the year ended 31 March 2015 the principal trading activity of the Group derived from the provision of mobile telephone and handset applications and services such as streaming of pre-recorded and live entertainment (TV channels, movies, sports etc), SMS messaging, digital comics, animations and language translation applications

In addition, the Group continued to develop its leading-edge security application, ROK Homeland Security, which is a unique and highly advanced mobile phone-based security and policing technology product. It provides cost-effective real-time, secure two-way data flow technologies to assist government and law enforcement agencies, security officers, business and industry in the gathering and management of information. This is done in a variety of formats including encrypted data-based communications and cutting-edge spatial awareness capabilities. The product is scalable to client's requirements and has been commended by potential clients following demonstrations and trials as being a high quality product. The time taken, however, for these government departments to make commercial decisions regarding the uptake of the service has proved lengthy which has hindered sales growth.

The Group ceased the development of its activities in media entertainment creation and video production and the streaming of live feed events such as boxing.

During the year, the Company and its Group reorganised the products being developed and distributed and accordingly, the investments in certain subsidiaries concerned. This resulted in the Group disposing of some loss-making or inactive companies to a related party.

Results and performance

The results of the Group for the year, as set out on pages 8 and 9, show a loss on ordinary activities before tax of £6.5m (2014 loss of £5.0m). The Group has a deficit of shareholders' funds of £12.0m (2014 deficit of £5.7m).

Provision of software and services

The Group has seen growth during the year in its Soccer Alerts SMS service but has seen a decline in its TV streaming services due to added competition in overseas markets.

As reported in the financial statements for the year ended 31 March 2014, the Group was forced to pull-out of Venezuela after the country imploded following the death of its President Chávez. There has been a lot of interest in other countries and areas with regard to the Group's Homeland Security product, however no contracts have been signed in the year but this product is still where the Group believes that its future lies. Since the year end trialling of the system has commenced in Canada and is scheduled to recommence in the UK. The directors are confident of the acceptance of supply and service contracts in the short-term.

ROK GLOBAL PLC

STRATEGIC REPORT

For the year ended 31 March 2015

Product sales

The Company disposed of two 51% owned subsidiaries, ROK Protective Systems, Inc and ROK Protective Technologies, Inc for no consideration. These American companies were involved in the research and development of various physical security and other products.

Media

The Group ceased its activities in the field of streaming of live sports and music events during the year. It is not expected that this service will be operated again in the short to medium term.

Business environment

The Group operates in the very competitive and fast moving marketplace of mobile technology and bespoke security applications. It competes with overseas development companies who often have a lower cost base and larger marketing budgets.

Strategy

The Group's success is dependent on the proper selection and pricing of its products for distribution and ongoing management of the risks it accepts. The Group believes it is important to retain a diversified portfolio of products in order to achieve maximum exposure in this highly competitive marketplace. The Group aims to concentrate its efforts on achieving growth in its existing market segments as well as expanding, where possible, being aware of, and being ready to react to, new developments and trends in the market.


Going concern

The Company and the Group continue to meet their day to day working capital requirements from cash generated by the business and the support of the Company's founders and shareholders. The planned business levels indicate that in the short term the Company and the Group will require additional funding. The amount of additional funding required will be dictated by the performance of the Group.

The directors understand that the founders will not demand repayment of their outstanding loan balances and that additional funding may be available. The planned business levels and the availability of additional funding from founders and shareholders indicate the existence of material uncertainties which may cast doubt over the Group's ability to continue as a going concern. However, the directors expect that the Company and the Group will continue to have adequate funds available to them to be able to continue in operational existence for the foreseeable future.

Accordingly, the going concern basis has been adopted in preparing these accounts which do not include the adjustments that would result if the Group was unable to continue as a going concern.

This report was approved by the board on 28 August 2015 and signed by its order



Mr J L Kendrick
Director

ROK GLOBAL PLC

DIRECTORS' REPORT

For the year ended 31 March 2015

The directors present their report and audited accounts for the year ended 31 March 2015

Future developments

Likely future developments in the business of the Group are discussed in the strategic report

Dividends

The directors of the Company do not recommend a dividend

Directors

The current directors of the Company all held office throughout the year. Mr P Fidanza was a director from the start of the year until his resignation on 8 September 2014.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

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

Auditors

During the year Silver & Co notified the Company that it was ceasing to operate as a registered statutory auditor and accordingly they resigned from office on 1 October 2014. The Company appointed Edwards on 13 January 2015, and a resolution that they be re-appointed will be proposed at the annual general meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare 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 Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

ROK GLOBAL PLC

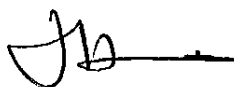
DIRECTORS' REPORT

For the year ended 31 March 2015

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Group's web site, www.rokglobal.com. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the board on 28 August 2015 and signed by its order



Mr J L Kendrick
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 March 2015

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare 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 Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROK GLOBAL PLC

For the year ended 31 March 2015

We were engaged to audit the Group and parent Company accounts of ROK Global PLC for the year ended 31 March 2015 (the "accounts") which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with 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 Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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. Because of matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an opinion.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Basis for disclaimer of opinion on financial statements

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements. The accounts have been prepared on a going concern basis, however we have been unable to obtain sufficient audit evidence regarding continuing financial support to the Group. This indicates the existence of material uncertainties which cast doubt over the Group's ability to continue as a going concern and, in particular, the carrying values of intangible fixed assets and deferred taxation.

There is potential for the uncertainties to interact with one another such that we have been unable to obtain sufficient appropriate audit evidence regarding the possible effect of the uncertainties taken together.

Disclaimer of opinion on financial statements

Because of the significance to the possible impact of the uncertainties, described in the Basis for Disclaimer of Opinion on Financial Statements paragraph, to the financial statements, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

Opinion on other matters prescribed by the Companies Act 2006

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ROK GLOBAL PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROK GLOBAL PLC

For the year ended 31 March 2015

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' Report



Mr David Webb FCA
Senior Statutory Auditor
for and on behalf of
Edwards Chartered Accountants
Statutory Auditors

28 August 2015

34 High Street
Aldridge
Walsall
West Midlands
UK
WS9 8LZ

ROK GLOBAL PLC**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 2015

	Notes	2015 £	2014 £
Turnover	3	208,376	380,919
Cost of sales		<u>(114,960)</u>	<u>(243,320)</u>
Gross profit		93,416	137,599
Other operating income	4	<u>99,567</u>	<u>196,018</u>
		192,983	333,617
Administrative expenses		<u>(3,906,334)</u>	<u>(3,561,549)</u>
Operating loss	5	(3,713,351)	(3,227,932)
Exceptional items	6	<u>(970,550)</u>	<u>-</u>
		(4,683,901)	(3,227,932)
Interest payable	9	<u>(1,769,716)</u>	<u>(1,755,069)</u>
Loss on ordinary activities before taxation		(6,453,617)	(4,983,001)
Tax on loss on ordinary activities	10	<u>(16,732)</u>	<u>(2,341,039)</u>
Loss on ordinary activities after taxation		(6,470,349)	(7,324,040)
Minority interests		251,495	235,429
Loss for the financial year		<u>(6,218,854)</u>	<u>(7,088,611)</u>

The Group turnover all relates to continuing operations except for £62,100 (2014 - £10,558) from discontinued operations

The Group loss on ordinary activities before taxation all relates to continuing operations except for £114,483 loss (2014 - £720,736 loss) from discontinued operations

Statement of total recognised gains and losses

The Company has no recognised gains or losses other than the loss for the above two financial years

ROK GLOBAL PLC

BALANCE SHEETS

For the year ended 31 March 2015

	Notes	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Fixed assets					
Intangible fixed assets	11	17,930,493	21,228,690	-	-
Tangible fixed assets	12	283	21,744	-	-
Investments	13	50,001	50,001	50,007	50,009
Deferred taxation	14	1,842,229	1,858,961	-	-
		<u>19,823,006</u>	<u>23,159,396</u>	<u>50,007</u>	<u>50,009</u>
Current assets					
Stocks and work in progress	15	-	30,294	-	-
Debtors	16	99,622	301,403	19,533,783	19,661,898
Cash at bank and in hand		93	10,463	-	-
		<u>99,715</u>	<u>342,160</u>	<u>19,533,783</u>	<u>19,661,898</u>
Creditors: Amounts falling due within one year	17	(4,159,464)	(3,448,784)	(887,597)	(1,015,714)
Net current assets/(liabilities)		<u>(4,059,749)</u>	<u>(3,106,624)</u>	<u>18,646,186</u>	<u>18,646,184</u>
Total assets less current liabilities		15,763,257	20,052,772	18,696,193	18,696,193
Creditors: Amounts falling due after one year	18	(29,004,817)	(26,230,306)	-	-
Net assets/(liabilities)		<u>(13,241,560)</u>	<u>(6,177,534)</u>	<u>18,696,193</u>	<u>18,696,193</u>
Capital and reserves					
Called up share capital	19	5,833,772	5,833,772	5,833,772	5,833,772
Share premium account	20	11,600,048	11,600,048	11,600,048	11,600,048
Profit and loss account	22	(29,395,162)	(23,176,308)	1,262,373	1,262,373
Total shareholders' funds		<u>(11,961,342)</u>	<u>(5,742,488)</u>	<u>18,696,193</u>	<u>18,696,193</u>
Minority interests		(1,280,218)	(435,046)	-	-
Capital employed		<u>(13,241,560)</u>	<u>(6,177,534)</u>	<u>18,696,193</u>	<u>18,696,193</u>



Mr J L Kendrick

Director

Approved by the board on 28 August 2015

Company number 06253633

ROK GLOBAL PLC

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2015

	Notes	Group 2015 £	Group 2014 £
Reconciliation of operating loss to net cash outflow from operating activities:			
Operating loss		(3,713,351)	(3,227,932)
Amortisation of intellectual property rights		1,138,440	1,138,440
Amortisation of goodwill		-	1,709
Depreciation of fixed assets		656	5,363
Disposal of subsidiaries		-	(284,737)
(Increase)/decrease in stocks and work in progress		(3,774)	63,648
Decrease in debtors		155,801	3,968,218
Increase/(decrease) in creditors		2,412,051	(1,641,782)
Net cash outflow from operating activities		<u>(10,177)</u>	<u>22,927</u>

CASH FLOW STATEMENT

Net cash outflow from operating activities		(10,177)	22,927
Acquisitions and disposals	24	(193)	(12,681)
Returns on investments and servicing of finance	24	-	(4,979)
Capital expenditure	24	-	(8,253)
Decrease in cash		<u>(10,370)</u>	<u>(2,986)</u>
Reconciliation of net cash flow to movement in net debt:			
Decrease in cash in the year		(10,370)	(2,986)
Increase in debt		-	(985,122)
Other non-cash movements		(1,912,196)	(1,732,243)
Exchange differences		(862,314)	2,278,757
Change in net debt		<u>(2,784,880)</u>	<u>(441,594)</u>
Net debt at 1 April		<u>(26,169,844)</u>	<u>(25,728,250)</u>
Net debt at 31 March	25	<u>(28,954,724)</u>	<u>(26,169,844)</u>

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

1 Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The Company and the Group continue to meet their day to day working capital requirements from cash generated by the business and the support of the Company's founders and shareholders. The directors believe that the Company and the Group will require additional funding. The amount of additional funding required will be dictated by the performance of the Group and there remains uncertainty regarding the accuracy of future forecasts. This uncertainty also affects the carrying value of the intellectual property rights and the deferred tax asset as shown in the Group's balance sheet. The directors understand that the founders will not demand repayment of their outstanding loan balances and that additional funding may be available.

The actual performance of the Group and the availability of additional funding from founders and shareholders indicate the existence of material uncertainties which may cast doubt over the Group's ability to continue as a going concern and the carrying value of the intellectual property rights and the deferred tax asset. However, the directors believe that the Company and the Group will continue to have adequate funds available to be able to continue in operational existence for the foreseeable future. Accordingly, the going concern basis has been adopted in preparing these accounts which do not include the adjustments that would result if the Group was unable to continue as a going concern.

Consolidation

The consolidated financial statements incorporate those of ROK Global PLC and all of its subsidiary undertakings for the year. Subsidiaries acquired during the year are consolidated using the acquisition method. Uniform accounting policies are adopted throughout the Group and all profits or losses arising on inter-group transactions are eliminated. The results of subsidiaries are incorporated from the date that control passes. Any goodwill is written off over its estimated economic life and any negative goodwill is immediately accounted for in the profit and loss account.

Turnover

Turnover is recognised on the date goods are despatched to customers or when services are provided to customers. Where services are contracted for and supplied over a period of time revenue is recognised equally over the period of the contract with any unrecognised revenue being recorded within creditors as deferred income. Where services are provided in advance of invoice then revenues are recognised in line with the work done and recorded through debtors as accrued income. Revenues are valued net of applicable sales taxes and discounts.

Fixed assets and depreciation

Fixed assets are stated at historic purchase cost less accumulated depreciation where cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Improvements to leasehold property	over 5 years
Plant and equipment	over 3 years

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

1 Accounting policies (continued)

Investments

Long term investments are stated at cost in the balance sheet with provision being made for any impairment in the value of investments

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred tax is calculated at the prevailing tax rate

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account

Operating leases

Rentals paid under operating leases are charged to income on a straight line basis over the lease term

Pensions

The Company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

2 Audit exemption and result of the Company

The Company has taken advantage of section 477 of the Companies Act 2006 (the "Act") not to require its subsidiaries to conduct an audit on their accounts. In the opinion of the directors, the subsidiaries qualify under section 479A of the Act, with a guarantee to be given for ROK Investment Group Limited (company number - 05289644), ROK Operations Limited (company number - 05120484), ROK Office Limited (company number - 04613354) and ROK TV Productions Limited (company number - 08170580)

As permitted by Section 408(3) of the Act, the Company's profit and loss account and statement of total recognised gains and losses has not been presented. The Company's result for the financial year was £nil (2014 - £nil)

ROK GLOBAL PLC**NOTES TO THE ACCOUNTS**

For the year ended 31 March 2015

3 Group segment reporting

Turnover	Group 2015	Group 2014	Company 2015	Company 2014
	£	£	£	£
By activity				
Provision of software and services	147,141	253,563	-	-
Product sales	61,235	8,808	-	-
Media	-	118,548	-	-
	<u>208,376</u>	<u>380,919</u>	<u>-</u>	<u>-</u>

Turnover	Group 2015	Group 2014	Company 2015	Company 2014
	£	£	£	£
By geographical location				
UK	44,561	63,425	-	-
North America/Rest of World	<u>163,815</u>	<u>317,494</u>	<u>-</u>	<u>-</u>
	<u>208,376</u>	<u>380,919</u>	<u>-</u>	<u>-</u>

Geographical analysis of turnover is based on the delivery location of the goods or services supplied

Loss on ordinary activities before taxation and minority interests	Group 2015	Group 2014	Company 2015	Company 2014
	£	£	£	£
By activity				
Provision of software and services	(26,758)	(2,719)	-	-
Product sales	(114,483)	(405,092)	-	-
Media	(31,988)	(96,270)	-	-
Head office services	<u>(6,280,388)</u>	<u>(4,478,920)</u>	<u>-</u>	<u>-</u>
	<u>(6,453,617)</u>	<u>(4,983,001)</u>	<u>-</u>	<u>-</u>
By geographical location				
UK	(5,964,706)	(4,545,375)	-	-
North America	<u>(488,911)</u>	<u>(437,626)</u>	<u>-</u>	<u>-</u>
	<u>(6,453,617)</u>	<u>(4,983,001)</u>	<u>-</u>	<u>-</u>

Geographical analysis of loss on ordinary activities before taxation and minority interests is based on the physical location of the entities involved

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

3 Group segment reporting (continued)

Net assets/(liabilities)	Group 2015	Group 2014	Company 2015	Company 2014
	£	£	£	£
By activity				
Provision of software and services	(29,960)	399,788	-	-
Product sales	-	(1,020,876)	-	-
Media	(194,839)	(162,851)	-	-
Head office services	(13,016,761)	(5,393,595)	18,696,193	18,696,193
	<u>(13,241,560)</u>	<u>(6,177,534)</u>	<u>18,696,193</u>	<u>18,696,193</u>
By geographical location	£	£	£	£
UK	(10,752,870)	(3,042,394)	18,696,193	18,696,193
North America	(2,488,690)	(3,135,140)	-	-
	<u>(13,241,560)</u>	<u>(6,177,534)</u>	<u>18,696,193</u>	<u>18,696,193</u>

Geographical analysis of net assets/(liabilities) is based on the physical location of the entities involved

4 Other operating income	Group 2015	Group 2014	Company 2015	Company 2014
	£	£	£	£
Research and development tax credit	<u>99,567</u>	<u>196,018</u>	<u>-</u>	<u>-</u>

5 Operating loss	Group 2015	Group 2014	Company 2015	Company 2014
	£	£	£	£
This is stated after charging/(crediting)				
Amortisation of intellectual property rights	1,138,440	1,138,440	-	-
Amortisation of goodwill	-	1,709	-	-
Depreciation of owned fixed assets	656	5,363	-	-
Operating lease rentals – land and buildings	94,414	130,491	-	-
Operating lease rentals – other	-	3,678	-	-
Provision against South American debt	-	1,936,401	-	-
Foreign currency exchange	1,056,232	(2,357,229)	-	-
Auditors' remuneration - audit services	<u>5,500</u>	<u>12,995</u>	<u>5,500</u>	<u>6,500</u>

6 Exceptional items	Note	Group 2015	Group 2014	Company 2015	Company 2014
		£	£	£	£
Loss on disposal of subsidiaries	13	<u>970,550</u>	<u>-</u>	<u>-</u>	<u>-</u>

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

7 Directors' emoluments	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Aggregate emoluments	<u>55,170</u>	<u>111,296</u>	<u>-</u>	<u>-</u>

8 Employees	Group 2015 No.	Group 2014 No.
Average monthly number of employees		
Software development and services	11	28
Media creation and services	1	3
Sales and marketing	2	3
Management and administration	3	6
	<u>17</u>	<u>40</u>

	Group 2015 £	Group 2014 £
Staff costs		
Wages and salaries	705,339	1,615,295
Social security and similar foreign employment taxes and charges	76,387	169,318
Other pension costs	-	1,381
	<u>781,726</u>	<u>1,785,994</u>

9 Interest payable	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Bank overdraft	-	46	-	-
Interest payable on loans	<u>1,769,716</u>	<u>1,755,023</u>	<u>-</u>	<u>-</u>
	<u>1,769,716</u>	<u>1,755,069</u>	<u>-</u>	<u>-</u>

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

10 Taxation	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Analysis of charge in year				
Current tax				
Corporation tax	-	-	-	-
Deferred tax				
Original and reversal of timing differences	16,732	2,341,039	-	-
Tax charge on loss on ordinary activities	16,732	2,341,039	-	-

Factors affecting tax charge for year

The Group only recognises deferred tax assets arising in a year based on the likelihood of achieving sufficient and suitable taxable profits in the near future being more likely than not

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Loss on ordinary activities before tax	(6,453,617)	(4,983,001)	-	-
Standard rate of UK corporation tax	23%	23%	23%	23%
	£	£	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax	(1,484,332)	(1,146,090)	-	-
Effects of				
Capital allowances for year in excess of depreciation	-	12,353	-	-
Expenses not deductible for tax purposes	407,361	422,518	-	-
Other timing differences	1,076,971	711,219	-	-
Current tax charge for year	-	-	-	-

ROK GLOBAL PLC**NOTES TO THE ACCOUNTS**

For the year ended 31 March 2015

11 Intangible fixed assets

Group	Intellectual property rights £	Goodwill £	Total £
Cost			
At 1 April 2014	24,774,599	159,757	24,934,356
Disposals	(2,000,000)	(159,757)	(2,159,757)
At 31 March 2015	<u>22,774,599</u>	<u>-</u>	<u>22,774,599</u>
Amortisation			
At 1 April 2014	3,705,666	-	3,705,666
Provided during the year	1,138,440	-	1,138,440
At 31 March 2015	<u>4,844,106</u>	<u>-</u>	<u>4,844,106</u>
Net book value			
At 31 March 2015	<u>17,930,493</u>	<u>-</u>	<u>17,930,493</u>
At 31 March 2014	<u>21,068,933</u>	<u>159,757</u>	<u>21,228,690</u>

Goodwill is written off in equal annual instalments over its estimated economic life of between 15 and 20 years
The Company has no intangible fixed assets during the current or prior periods

12 Tangible fixed assets

Group	Improvements to leasehold property £	Plant and equipment £	Total £
Cost			
At 1 April 2014	2,286	77,047	79,333
Disposals	-	(50,373)	(50,373)
At 31 March 2015	<u>2,286</u>	<u>26,674</u>	<u>28,960</u>
Depreciation			
At 1 April 2014	1,354	56,235	57,589
Charge for the year	656	-	656
Eliminated on disposals	-	(29,568)	(29,568)
At 31 March 2015	<u>2,010</u>	<u>26,667</u>	<u>28,677</u>
Net book value			
At 31 March 2015	<u>276</u>	<u>7</u>	<u>283</u>
At 31 March 2014	<u>932</u>	<u>20,812</u>	<u>21,744</u>

The Company has no tangible fixed assets during the current or prior periods

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

13 Investments

	Note	Subsidiary companies £	Other investments £	Total £
Group				
Cost				
At 1 April 2014 and 31 March 2015		<u>~</u>	<u>50,001</u>	<u>50,001</u>
Company				
Cost				
At 1 April 2014		40,008	50,000	90,008
Additions				
Disposals		<u>(40,001)</u>	<u>-</u>	<u>(40,001)</u>
At 31 March 2015		<u>7</u>	<u>50,000</u>	<u>50,007</u>
Impairment				
At 1 April 2014		(39,999)	-	(39,999)
Eliminated on disposal		<u>39,999</u>	<u>-</u>	<u>39,999</u>
At 31 March 2015		<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 31 March 2015		<u>7</u>	<u>50,000</u>	<u>50,007</u>
At 31 March 2014		<u>9</u>	<u>50,000</u>	<u>50,009</u>

During the year the Company disposed of two 51% owned subsidiaries, ROK Protective Systems, Inc and ROK Protective Technologies, Inc for no consideration. These American companies were involved in the research and development of various physical security and other products. The net book values of these investments were written down during the year ended 31 March 2014 to £2. The loss arising on their removal from the Group is recorded within note 6, Exceptional items.

The Company holds, within Other investments, 2 million ordinary shares in Alpha Prospects PLC ("Alpha") which were acquired as part of a share-swap agreement in 2013. The deemed price at acquisition was 2.5 pence per share.

Alpha are listed on GXG First Quote Market, under ticker APHP, and at 31 March 2015 the market price of these ordinary shares were 3 pence per share. The directors consider that the carrying value of this investment is fairly stated.

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

13 Investments (continued)

At the year end the Company held 20% or more of the share capital of the following companies

Company	%	Class of Shares held	Capital and reserves £	Loss for the year £
ROK Investment Group Limited	100	Ordinary	(25,121,179)	(3,291,383)
ROK Payments Limited	100	Ordinary	(6,614,904)	-
Payments Processing Limited	100	Ordinary	(2,406,547)	(805,582)

All of the above companies are registered in the UK. Payments Processing Limited was transferred out of the Group on 31 July 2015

14 Deferred Taxation

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Accelerated capital allowances	-	12,353	-	-
Losses	1,435,288	1,442,953	-	-
Other timing differences	406,941	403,655	-	-
	<u>1,842,229</u>	<u>1,858,961</u>	<u>-</u>	<u>-</u>

The Group has only recognised deferred tax assets arising in the year based on the likelihood of achieving sufficient and suitable taxable profits in the near future being more likely than not

15 Stocks and work in progress

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Finished goods and goods for resale	<u>-</u>	<u>30,294</u>	<u>-</u>	<u>-</u>

16 Debtors

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Trade debtors	30,521	26,925	-	-
Amounts owed by group undertakings and undertakings in which the Company has a participating interest	-	-	18,627,910	18,934,154
Other debtors	24,684	236,237	905,873	727,744
Prepayments and accrued income	44,417	38,241	-	-
	<u>99,622</u>	<u>301,403</u>	<u>19,533,783</u>	<u>19,661,898</u>

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

17 Creditors: Amounts falling due within one year

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Trade creditors	285,322	473,040	5,974	13,454
Amounts owed to group undertakings and undertakings in which the Company has a participating interest	-	-	828	4,378
Other taxes and social security costs	917,260	761,914	-	-
Other creditors	2,906,292	2,147,114	875,295	997,882
Accruals and deferred income	50,590	66,716	5,500	-
	<u>4,159,464</u>	<u>3,448,784</u>	<u>887,597</u>	<u>1,015,714</u>

Included within Other creditors are amounts due to related parties, as disclosed in note 27

18 Creditors: Amounts falling due after one year

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Other creditors	<u>29,004,817</u>	<u>26,230,306</u>	-	-

Included within Other creditors are amounts due to related parties, as disclosed in note 27

19 Share capital

	Nominal Value	2015 Number	Group and Company 2015 £	Group and Company 2014 £
Allotted, called up and fully paid Ordinary shares	£0 01 each	<u>583,377,224</u>	<u>5,833,772</u>	<u>5,833,772</u>

20 Share premium

	Group and Company 2015 £
At 1 April 2014 and 31 March 2015	<u>11,600,048</u>

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

21 Share-based payments

Share options to subscribe for shares at par value using a cash less settlement principle, through a calculated reduction in allotted shares, were initially granted to subcontracted employees and consultants on 17 February 2011 and then to employees of the Group on 5 January 2012. The options have a contractual life of 10 years and allow 50% of an option holder's total number of shares to be exercised immediately and 50% on the first anniversary of the grant. Options were valued using the Black-Scholes option-pricing model. No performance conditions were included in the fair value calculations. The fair value per option granted and the assumptions used in the calculation are as follows:

Grant date	17 February 2011	5 January 2012
Share price at date of grant	Not quoted	€0.028
Estimated fair value at date of grant	€0.75	€0.028
Exercise price	£0.01	£0.01
Number of grants	46	1
Shares under option	2,352,784	2,000,000
Vesting period (years)	2	2
Expected volatility	120.0%	223.1%
Option life (years)	10	10
Expected life (years)	2	2
Risk-free interest rate	0.91%	0.91%
Expected dividends expressed as a dividend yield	0.00%	0.00%
Fair value per option	£1.01	£0.01

Given the nature of these share options, expected volatility does not have a material impact hence the observed volatility over the last 16 months is used. The expected life is the average expected period to exercise. The risk-free rate of return is the yield on zero coupon UK government bonds of a term consistent with the assumed option life.

Date of grant	Number of shares at date of grant	Number of shares unexercised 1 April 2014	Exercised in year	Cancelled, lapsed or became ineligible in year	Number of shares unexercised 31 March 2015
17 February 2011	2,352,784	2,245,415	-	-	2,245,415
5 January 2012	2,000,000	2,000,000	-	-	2,000,000
	<u>4,352,784</u>	<u>4,245,415</u>	<u>-</u>	<u>-</u>	<u>4,245,415</u>

The total equity-settled share-based payment charge for the year was £nil (2014 – £nil)

22 Profit and loss account

	Group 2015 £	Company 2015 £
At 1 April 2014	(23,176,308)	1,262,373
Loss for the financial year	(6,218,854)	-
At 31 March 2015	<u>(29,395,162)</u>	<u>1,262,373</u>

ROK GLOBAL PLC

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

23 Reconciliation of movement in shareholders' funds

	Group 2015 £	Group 2014 £
At 1 April	(6,177,534)	713,135
Loss for the financial year	(6,218,854)	(7,088,611)
Shares issued	-	340,000
Minority interests	(845,172)	(142,058)
At 31 March	<u>(13,241,560)</u>	<u>(6,177,534)</u>

24 Gross cash flows

	Group 2015 £	Group 2014 £
Acquisitions and disposals		
Net bank balances of subsidiary undertakings acquired/disposed of	<u>(193)</u>	<u>(12,681)</u>
Returns on investments and servicing of finance		
Interest paid	<u>-</u>	<u>(4,979)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	<u>-</u>	<u>(8,253)</u>

25 Analysis of changes in net debt

	At 1 April 2014 £	Cash flows £	Non-cash movements £	Exchange differences £	At 31 March 2015 £
Group					
Cash at bank and in hand	10,463	(10,370)	-	-	93
Debt due after one year	(26,180,307)	-	(1,912,196)	(862,314)	(28,954,817)
Total	<u>(26,169,844)</u>	<u>(10,370)</u>	<u>(1,912,196)</u>	<u>(862,314)</u>	<u>(28,954,724)</u>

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NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

26 Other financial commitments

At the year end the Group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings 2015 £	Other 2015 £	Land and buildings 2014 £	Other 2014 £
Operating leases which expire				
Within one year	40,750	-	84,717	3,116
Within two to five years	24,154	-	32,445	-
	<u>64,904</u>	<u>-</u>	<u>117,162</u>	<u>3,116</u>

27 Related party transactions

Under FRS 8 "Related Party Disclosures" the Company is exempt from disclosing related party transactions with wholly owned entities

Included within Other debtors and Other creditors are the following amounts due by/(to) companies and/or their groups which are related by virtue of one or more of the directors

	2015 £
Raconteur Limited	92,311
Raconteur Pictures Limited	(267,245)
ROK Mobile Inc	(983,509)
ROK Payment Solutions Limited	(184,852)
ROK Stars PLC	(1,297,745)
ROK Water Technology PLC	<u>(164,652)</u>

The above amounts have no specified terms of repayment

Included within "Creditors amounts falling due after one year" are the following amounts payable to related parties

Group	2015 £	2014 £
Mr J P DeJoria	28,041,036	25,801,218
Mr J M Kendrick	172,103	95,880
Mr J L Kendrick	<u>57,751</u>	<u>55,767</u>

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

27 Related party transactions (continued)

The amount payable to Mr J P DeJoria, co-founder and shareholder of the Company, represents the capital amounts of monies loaned to ROK Investment Group Limited and accrued interest at 10% per annum and has no specified terms of repayment. Also included in this amount is monies loaned to ROK Americas Inc and accrued interest at 5% per annum and has no specified terms of repayment. The capital and interest amounts of these loans are denominated in United States dollars and amount to \$45,622,243 (2014 - \$43,430,348) as at the balance sheet date before the deduction of certain sterling denominated transactions. The interest charged on these loans has been recorded in the accounts of ROK Investment Group Limited and ROK Americas Inc.

The amount payable to Mr J M Kendrick, co-founder and director of the Company, represents capital amounts loaned, including an amount denominated in United States dollars of \$nil (2014 - \$10,000), and accrued interest at 3% above base rate and has no specified terms of repayment. The interest charged on these loans has been recorded in the accounts of ROK Investment Group Limited.

The amount payable to Mr J L Kendrick, director and shareholder of the Company, represents capital amounts loaned and accrued interest at 3% above base rate and has no specified terms of repayment. The interest charged on these loans has been recorded in the accounts of ROK Investment Group Limited.