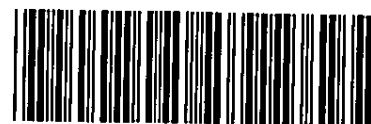


TEN ALPS PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2011

Company no SC75133

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REPORT OF THE DIRECTORS

The Directors present their annual report, together with the financial statements, for the year ended 31 March 2011.

Principal Activity

Ten Alps is a multimedia company which provides and commercially manages the content for TV, radio, online TV and print

Results

The results for the year ended 31 March 2011 are set out on page 12.

The Group made an operating loss in the year of £(21.5m) (2010: profit of £3.6m) and the retained loss for the year after interest, taxation and minority interests of £(22.04m) (2010: profit of £2.34m).

Dividends

The Directors do not recommend the payment of a dividend for the year.

Review of Business

The Board monitors the progress of the Group against its strategic objectives on a regular basis. The performance of the Group is measured against strategy, budgets and forecasts using a variety of financial and non-financial indicators. The most significant Key Performance Indicators ("KPI's") used by the Group and the basis of calculation are set out below:

Performance Analysis

The results for the year were disappointing on all measures and reflected the continued pressure the Group was facing on sales and margins. In January 2011 the Company completed a gross fund raise of £6.2m by way of a share issuance and loan note. The net proceeds were used to reduce debt and overdraft, discharge a deferred consideration, restructure the business units and provide general working capital.

Significant Contract

As stated previously the Teachers TV contract was vulnerable to government cut backs and unfortunately that was the case in the year when the Coalition enacted the six month notice period and terminated the contract as at 29th October 2010 and officially ceased on 29th April 2011. The contract was worth c£10-11m in revenues to the Group.

Growth in Revenue (%)

Assessed by year on year revenue growth and expressed as a percentage. Revenue was down from last year reflecting continued pressure on advertising sales, impact of discontinued activities and reduced government spend. The impact of this downturn was visible as revenues fell by 21.6% to £51.87m (2010: £66.13m)

Gross margin (%)

Gross margin is the ratio of gross profit to sales expressed as a percentage. Gross margin has decreased on last year to 30.83% (2010: 32.95%) and reflects the continued impact of adverse economic conditions.

Growth in Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (%)

This is a key measure we use to assess the results of the Group in any one year as growth in the EBITDA figure ensures that the Group can increase margins as well as Revenue. The Group recorded a loss in the year of £(3.66m) (2010: profit of £5.36m) which reflects the revenue reduction in the year, increased provisions and fixed costs relative to revenue.

Growth in Adjusted Operating Profit margin (EBITA) (%)

This is the ratio of operating profit before amortisation of intangible and exceptional items expressed as a percentage. Together with the Gross Margin KPI this target aims to maintain profitable products/programmes, keep overheads under control and increase cashflows. The Group experienced a reduction in EBITA with a loss of £(4.36m) (2010: £4.66m).

Risks and Uncertainties

In this section we describe some of the principal risks that the directors believe could materially affect our business. Sound risk management is an essential discipline for running the business efficiently and pursuing our strategy successfully.

The Group operates in a highly competitive environment that is subject to constant and unpredictable changes in client demand and the advertising economy. In order to remain competitive it must continue to invest and adapt in its two main divisions of TV and Education and B2B.

Risk is reduced by creating and maintaining a balanced portfolio of products which evolves to meet the needs of our clients. Investing internally in people and infrastructure while maintaining the highest quality in the factual media content we produce and manage will further mitigate these risks.

Publishing Advertising Revenue

A significant proportion of our revenues derive from this sector. This sector tends to be cyclical, is sensitive to any economic slowdown or recession and there is also increasing competition for these revenues especially from online advertising.

We address these risks by ensuring we have a wide range of B2B clients. We are also investing in both print and online data services which do not experience the cycle of advertising spend.

Acquisitions

One of our major previous strategies was acquiring new business for our divisions which inevitably exposes us to the risks associated with acquisitions. Examples of such risks include:

- Finding, given the wider competition for attractive trade acquisitions, suitable acquisition targets at the right multiples relative to the cost of equity for the Group
- Integrating the acquired companies into Ten Alps
- Adjusting the Group's debt financing options to the current financial environment given the 'credit crunch'

In addition, potential difficulties inherent in mergers and acquisitions may adversely affect the results of an acquisition. These include delays in implementation or unexpected costs or liabilities, as well as the risk of failing to realise operating benefits or synergies from completed transactions.

To mitigate these risks the Group follows:

- A tried and tested procedure for integrating acquisitions
- Application of strict financial criteria to any potential acquisition
- A formal legal, financial and tax due diligence process
- Constant monitoring and review of the acquisition's performance

Key Management Staff

We operate in an industry sector that is attractive for potential employees but there is intense competition for experienced and highly skilled individuals. We face risks of failing to recruit and retain the highest qualified and able staff to deliver and grow our business. As we cannot predict the future calibre and availability of these people, we place significant emphasis on succession planning by developing and retaining management talent.

We do this by

- A number of incentive schemes to attract key senior managers and staff
- Training and motivating staff
- Career opportunities across the Group

Geographic Risks

As the Group has expanded into new regions, namely Singapore, it will encounter logistical and management challenges ranging from employees, business culture, local laws and language.

We have attempted to mitigate these risks by operating joint ventures with local businessmen and women, implementing good and efficient management controls and cost effective visits to the locations.

Directors and their interests

The Directors who served during the year were as follows:

A.M. Connock***
A.J. Dunleavy
N. Patel
P Bertram*
A.B. Walden**
R.F.Z. Geldof KBE**
T Hoare **

*Appointed as Chairman on 14 January 2011

**Non-Executive

***Resigned 08 July 2011

According to the register of Directors' interests maintained under the Companies Act, the following interests in the shares of Group companies were held by the Directors in office at the year end:

	Nature of interest	Ordinary Shares of 2p each	
		1 April 2010	31 March 2011
A.M. Connock	Beneficial	3,243,706	3,618,706
A.J. Dunleavy	Beneficial	84,900	709,900
N. Patel	Beneficial	18,000	330,500
P Bertram*	Beneficial	-	312,500
A.B. Walden	Beneficial	68,750	68,750
R.F.Z. Geldof KBE	Beneficial	3,855,978	4,324,728
T Hoare	Beneficial	1,036,000	4,161,000

Options over 2p ordinary shares of the Company were held by the following:

	As at 31 March 2010	As at 31 March 2011	Exercise Price	Dates normally exercisable
A.M. Connock	100,000	100,000	67.5p	2006 to 2116
	200,000	200,000	55p	2011 to 2018
	200,000	200,000	25p	2011 to 2018
	92,000	92,000	27p	2012 to 2019
R.F.Z. Geldof KBE	100,000	100,000	67.5p	2006 to 2116
	150,000	150,000	55p	2011 to 2118
	200,000	200,000	25p	2011 to 2118
		92,000	27p	2012 to 2019

A.J. Dunleavy	200,000	200,000	55p	2011 to 2018
	200,000	200,000	25p	2011 to 2018
	92,000	92,000	27p	2012 to 2019
<hr/>				
N. Patel	100,000	100,000	67.5p	2006 to 2116
	200,000	200,000	55p	2011 to 2118
	200,000	200,000	25p	2011 to 2118
	92,000	92,000	27p	2012 to 2019

Substantial Shareholdings

The Company has been informed of the following shareholdings on 31st May 2011 each representing 3% or more of the current issued share capital:

	No. of ordinary shares	%
Herald Investment Management	34,703,028	26.18
Heritage Bank	16,242,305	12.25
UBS Wealth Management (Switzerland)	10,595,445	7.99
BlackRock Investment Management (UK)	7,331,119	5.53
Capital Research Global Investors	6,039,001	4.56
UBS Wealth Management	4,984,500	3.76
Caldwell Associates AG	4,484,305	3.38
Artemis Fund Managers	4,375,000	3.30

Share Capital

Details of share capital are given in Note 20 to the financial statements.

Suppliers' Payment Policy

The Group's policy is to agree the terms of payment with each supplier and to abide by those terms. Creditor settlement time for the year ended 31 March 2011 was 42 days (2010: 64 days).

Employees

The Group operates an equal opportunities employment policy. The Group's policy on recruitment, development, training and promotion includes provision to give full and fair consideration to disabled persons, having particular regard to their aptitudes and abilities.

The Group appreciates and values the input of all its employees and encourages development and training to enhance employee skills. The Group ensures that employees are aware of any important matters that may impact on the performance of the Group.

Corporate Governance

The Board consists of a Chairman, three Non-Executive Directors and two Executive Directors (one of which is also the Chief Financial Officer). The Board meets regularly and is responsible for reviewing and approving Group strategy, budgets and plans, major items of capital expenditure and possible acquisitions and investments.

The differing roles of Chairman and Executive Directors are acknowledged by the Board. The Chairman is required to conduct Board meetings of shareholders and to ensure that all Directors are properly briefed in order to take full and constructive part in Board discussions. The Executive Directors are required to develop and lead business strategies and processes to enable the Group's business to meet the requirements of its shareholders.

The Board has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities. The Audit Committee consists of Brian Walden, Bob Geldof and Tim Hoare all Non-Executive Directors and Peter Bertram the Chairman. The Audit Committee meets at least twice each year and is responsible for ensuring that the financial performance of the Group is properly monitored and reported on, for meeting the auditors and reviewing reports from auditors relating to accounts and internal control systems.

The Remuneration Committee also consists of Peter Bertram, Brian Walden, Bob Geldof and Tim Hoare. The Remuneration Committee reviews the performance of the Executive Directors, sets the scale and structure of their remuneration and reviews the basis for their service agreements with due regard to the interests of shareholders.

Going Concern

The Group's business activities and analysis for the year are detailed in the Business and Operating Statement on page 4 to 7 of the Annual Report and Accounts for the year ended 31 March 2011. The financial results and cash position including borrowing facilities are described in the Financial Review on pages 8 and 9 of the Annual Report and Accounts for the year ended 31 March 2011 with further details in the Notes to the Accounts numbers 1.2.1, 16 and 17.

Although the company has incurred significant losses during the year, the company has undertaken funding activities and cost restructurings. A new agreement has been entered into with the Bank of Scotland, see note 16. The Group decreased overall borrowings by £3.48m to £8.47m (2010: £11.95m). The borrowings now consist of a loan facility is a term loan, with due dates on the 31 December 2010 and then 31 March for every year for three years from 31 March 2012, and a loan note which is repayable on 31 March 2016 along with accrued interest.

The group's forecasts and projections, which take account of reasonably possible changes in trading performance, highlight the Group's need to raise additional finance and/or dispose of assets or cut operating costs to meet repayments under the new facility in the next twelve months. The group continues to be successful in raising finance as in the past and cost cutting, although there is no assurance that it will be able to obtain adequate finance in the future. The directors however are confident one of the strategies will be achieved.

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Financial risk management objectives and policies

The Group uses various financial instruments these include loans, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

An analysis of the Group's financial assets and liabilities (excluding short term trade debtors and trade creditors), together with the associated financial risks, are set out in Note 17.

The main risks arising from the company's financial instruments are market risk, cash flow interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and price risk. The company's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Currency risk

The Group's sales are primarily invoiced in sterling and occasionally in US dollars and euros. The Directors continually monitor currency exposure.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The maturity of borrowings is set out in note 16 to the financial statements.

Interest rate risk

The Group finances its operations through a mixture of retained profits and bank borrowings. The Group's exposure to interest rate fluctuations on its borrowings is managed by the use of floating facilities.

Auditors

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with Section 487(2) of the Companies Act 2006.

During the year ended 31 March 2010 the Board and the Audit Committee approved an extension to the engagement term of the Senior Statutory Auditor responsible for the audit opinion in relation to Ten Alps plc. The term was extended from 5 to 7 years and is a reflection of the accounting and financial reporting issues faced by the business during the year ended 31 March 2010 and the changes being made to the Audit Committee. The Audit Committee is satisfied that this extension does not in any way prejudice the objectivity and independence of the auditor.

Annual General Meeting

The Annual General Meeting is to be held on the 7th Floor, 80 Victoria Street, London SW1E 5JL. Notice of the meeting is set out at the end of the Report and Accounts.

In addition to the adoption of the Accounts, the reappointment of the auditors and the re-election of Peter Bertram as Director, there are three other matters which will be considered at the Annual General Meeting.

The first is to give the Directors general power to allot shares up to an aggregate nominal amount of £1,325,410 (equal to approximately 50% of the issued ordinary share capital as at the date of this report).

The second is to give the Directors authority to issue shares having an aggregate nominal value of £265,082 (being 10% of the issued ordinary share capital as at the date of this report) for cash without first offering them to the existing shareholders on a pro-rata basis.


The third is to give the Directors authority to purchase some of the Company's ordinary shares in the market. No purchase would be made unless the Directors were of the opinion that it would result in an increase in earnings per share, the authority would be used with discretion and purchases would be made only from funds not required for other purposes and in the light of prevailing market conditions. The Directors would also take into account the Company's cash resources, the effect of gearing and other possible investment opportunities before deciding whether to exercise this authority.

The proposed authority will be limited by the terms of the special resolution to the purchase of up to 13,254,099 ordinary shares, which represents 9.99 per cent of the issued ordinary share capital as at 30 June 2011. The minimum price payable per share would be its nominal amount (this being 2p) and the maximum price (exclusive of expenses) would be five per cent above the average of the middle market quotation of the ordinary shares, derived from the London Stock Exchange, for the five business days immediately preceding any purchase. Any such purchases would be made on the market and would be paid for out of distributable profits. Shares purchased would be cancelled. The authorised ordinary share capital figure would remain unaffected.

Details of any shares purchased pursuant to the proposed authority will be notified to a Regulatory Information Service as soon as possible and in any event by 7.30a.m. on the business day following the purchase and the Registrar of Companies will be so notified within 28 days. Details will also be included in the Company's Annual Report in respect of the financial period in which any purchases take place.

Each of these authorities will expire on the earlier of one year from the passing of the resolution and the date of the 2012 Annual General Meeting.

By order of the Board



N. Patel, Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 financial statements in accordance with International Financial Reporting Standards (IFRS). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial period and of the profit or loss of the Group for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departure 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 will continue in business

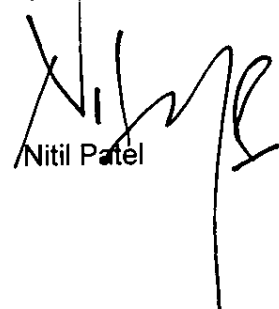
The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group 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 corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board



Nitil Patel

Independent auditor's report to the members of Ten Alps plc

We have audited the group financial statements of Ten Alps plc for the year ended 31 March 2011 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) *Ethical Standards for Auditors*.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 March 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matter

We have reported separately on the parent company financial statements of Ten Alps plc for the year ended 31 March 2011



Mark Henshaw

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

08 JULY 2011

Consolidated income statement

	Notes	Year ended 31 March 2011 £'000	Year ended 31 March 2010 £'000
Revenue	2	51,873	66,134
Cost of Sales	3	(35,877)	(44,341)
Gross Profit		15,996	21,793
Operating expenses	3	(20,354)	(17,131)
Earnings before interest, tax and amortisation (EBITA)		(4,358)	4,662
Restructuring costs	6	(1,140)	(211)
Amortisation and impairment of intangible assets	9	(16,014)	(864)
Operating (loss)/profit		(21,512)	3,587
Finance costs	7	(1,106)	(557)
Finance income	7	23	150
(Loss)/profit before tax		(22,595)	3,180
Income tax expense	8	800	(738)
(Loss)/profit for the year		(21,795)	2,442
Attributable to:			
Equity holders of the parent		(22,043)	2,339
Non-controlling interest		248	103
		(21,795)	2,442
 Basic earnings per share	8	 (26.18)p	3.63p
Diluted earnings per share	8	(26.18)p	3.63p

All results for the Group are derived from continuing operations in both the current and prior year.

The accompanying principal accounting policies and notes form part of these consolidated financial statements.

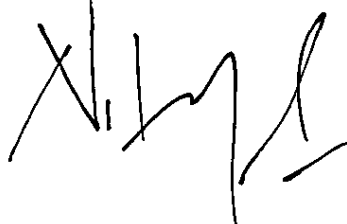
Consolidated statement of comprehensive income

	Year ended 31 March 2011 £'000	Year ended 31 March 2010 £'000
(Loss)/Profit for the period	(21,795)	2,442
Foreign investment translation differences	(2)	-
Other recognised gains and losses	-	-
Total comprehensive income for the period	(21,797)	2,442
Attributable to:		
Equity holders	(22,045)	2,442
Non-controlling interest	248	-
	(21,797)	2,442

Consolidated statement of financial position

	Note	As at 31 March 2011 £ '000	As at 31 March 2010 £ '000
Assets			
Non-current			
Goodwill	10	11,376	25,118
Other intangible assets	10	3,233	4,285
Property, plant and equipment	11	1,179	1,596
Deferred tax	18	89	-
		15,877	30,999
Current assets			
Inventories	12	2,954	2,395
Trade and other receivables	13	13,809	15,966
Cash and cash equivalents	14	4,485	6,669
		21,248	25,030
Liabilities			
Current liabilities			
Trade and other payables	15	(18,389)	(17,558)
Current tax liabilities		7	(448)
Borrowings and other financial liabilities	16	(6,957)	(2,527)
Derivative financial instruments	17	-	(12)
		(25,339)	(20,545)
Net current assets		(4,091)	4,485
Non-current liabilities			
Borrowings and other financial liabilities	16	(1,522)	(9,450)
Derivative financial instruments	17	-	(15)
Deferred tax	18	-	(291)
		(1,522)	(9,756)
Net assets		10,264	25,728
Equity			
Called up share capital	20	2,651	1,294
Share premium account	20	14,630	10,181
Merger reserve		696	2,930
Exchange reserve		5	7
Retained earnings		(8,089)	10,972
Total attributable to equity shareholders of parent		9,893	25,384
Non-controlling interest		371	344
Total equity		10,264	25,728

The consolidated financial statements were approved by the Board on 8 July 2011 and are signed on its behalf by Nitil Patel



CO. No. SC075133

Consolidated statement of cash flows

	Note	Year ended 31 March 2011 £ '000	Year ended 31 March 2010 £ '000
Cash flows from operating activities			
(Loss)/Profit for the period		(21,795)	2,442
Adjustments for:			
Income tax expense	8	(800)	738
Depreciation	11	699	701
Amortisation and impairment of intangibles	10	16,014	864
Finance costs	7	1,106	557
Finance income	7	(23)	(150)
Share based payment charge	6	103	104
Loss on sale of property, plant and equipment		5	3
		(4,691)	5,259
(Increase)/Decrease in inventories		(559)	1,348
Decrease in trade and other receivables		2,404	2,076
Increase/ (Decrease) in trade and other payables		1,082	(7,694)
Cash used in operations		(1,764)	989
Finance costs paid	7	(919)	(634)
Finance income received	7	23	150
SDIP contract (payments)/receipts		(13)	13
Tax paid		(225)	(706)
Net cash flows used in operating activities		(2,898)	(188)
Investing activities			
Acquisition of subsidiary undertakings, net of cash and overdrafts acquired	19	(213)	(331)
Payment of contingent consideration	19	(817)	(1,843)
Purchase of property, plant and equipment	11	(283)	(593)
Proceeds of sale of property, plant and equipment		31	9
Development of websites	10	(13)	(865)
Net cash flows used in investing activities		(1,295)	(3,623)
Financing activities			
Issue of ordinary share capital	20	5,734	-
Borrowings repaid		(5,000)	(2,500)
Borrowings received		1,500	-
Capital element of finance lease payments		(18)	(33)
Dividends paid to minority interests		(204)	(96)
Net cash flows from/(used in) financing activities		2,012	(2,629)
Net decrease in cash and cash equivalents		(2,181)	(6,440)
Translation differences		(3)	(18)
Cash and cash equivalents at 1 April		6,669	13,127
Cash and cash equivalents at 31 March		4,485	6,669

Consolidated statement of changes in equity

	Note	Share capital £000	Share premium £000	Merger reserve £000	Exchange reserve £000	Retained earnings £000	Total attributable to equity shareholders £000	Non-controlling interest £000	Total equity £000
Balance at 1 April 2009		1,278	9,999	2,930	-	8,529	22,736	167	22,903
Profit for the Year		-	-	-	-	2,339	2,339	103	2,442
Translation differences		-	-	-	7	-	7	10	17
Total comprehensive income		-	-	-	7	2,339	2,346	113	2,459
Equity-settled share-based payments	6	-	-	-	-	104	104	-	104
Dividends paid		-	-	-	-	-	-	(96)	(96)
Non-controlling share of acquisitions		-	-	-	-	-	-	160	160
Shares issued	20	16	182	-	-	-	198	-	198
Balance at 31 March 2010		1,294	10,181	2,930	7	10,972	25,384	344	25,728
Balance at 1 April 2010		1,294	10,181	2,930	7	10,972	25,384	344	25,728
Loss for the Year		-	-	-	-	(22,043)	(22,043)	248	(21,795)
Translation differences		-	-	-	(2)	-	(2)	13	11
Total comprehensive income		-	-	-	(2)	(22,043)	(22,045)	261	(21,784)
Transactions with owner		-	-	(2,903)	-	2,903	-	-	-
Equity-settled share-based payments	6	-	-	-	-	105	105	-	105
Purchase of non-controlling interest		-	-	-	-	(26)	(26)	(30)	(56)
Dividends paid		-	-	-	-	-	-	(204)	(204)
Shares issued	20	1,357	4,449	669	-	-	6,475	-	6,475
Balance at 31 March 2011		2,651	14,630	696	5	(8,089)	9,893	371	10,264

Notes to the consolidated financial statements

1) ACCOUNTING POLICIES

1.1) General Information

Ten Alps plc and its subsidiaries (the Group) is a multi media group which provides and manages content on TV, radio, online TV and print.

Ten Alps plc is the Group's ultimate parent and is a public listed company incorporated in Scotland. The address of its registered office is Great Michael House, Links House Suite 4/2, Links Place, Edinburgh, EH6 7EZ. Its shares are listed on the Alternative Investment Market of the London Stock Exchange.

These consolidated financial statements have been approved for issue by the Board of Directors on 8 July 2011.

1.2) Basis of Preparation

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU) and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared primarily under the historical cost convention. Areas where other bases are applied are identified in the accounting policies below.

Following the transition to IFRS, the Group's accounting policies as set out below, have been applied consistently throughout the Group to all the periods presented, unless otherwise stated. The Group's consolidated financial statements were prepared in accordance with United Kingdom Generally Accepted Accounting ("UK GAAP") principles until 31 March 2007.

IAS 1 Presentation of Financial Statements (Revised 2007) requires presentation of a comparative Statement of Financial Position as at the beginning of the first comparative period, in some circumstances. Management considers that this is not necessary in these financial statements as the 31 March 2010 Statement of Financial Position is the same as that previously published.

1.2.1) Going Concern

Although the company has incurred significant losses during the year, the company has taken significant funding activities and cost restructurings. A new agreement has been entered into with the Bank of Scotland, see note 16. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current financing. Management's strategy has been incorporated into scenario based forecasts which highlight the Group's need to raise additional finance and/or dispose of assets, however certain mitigating actions could be taken to manage cash resources if required. Although the Group continues to be successful in raising finance as in the past, there is no assurance that it will be able to obtain adequate finance in the future.

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

1.2.2) Standards and amendments to existing standards effective 1 April 2010

The following new standards, amendments and interpretations are effective for the first time in these financial statements but none have had a material effect on the group:

- IAS27 (revised) Consolidated Financial Statements
- Amendment to IAS 39 Financial Instruments: Recognition and Measurement: Eligible Hedged Items
- IFRIC 17 Distributions of Non-cash Assets to Owners
- Revised IFRS 1 First-time Adoption of international Financial Reporting Standards
- IFRIC 18 Transfer of Assets from Customers
- Improvements to IFRSs (2009)

- Group Cash-settled Share-based Payment Transactions (Amendments to IFRS 2)
- Additional Exemptions for First-time Adopters (Amendments to IFRS 1)

1.2.3) New standards and interpretations currently in issue but not effective for accounting periods commencing on 1 April 2010 are:

- IFRS 9 Financial Instruments (effective 1 January 2013)
- IAS 24 (Revised 2009) Related Party Disclosures (effective 1 January 2011)
- Amendment to IAS 32 Classification of Rights Issues* (effective 1 February 2010)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments* (effective 1 July 2010)
- Prepayments of a Minimum Funding Requirement - Amendments to IFRIC 14* (effective 1 January 2011)
- Improvements to IFRS issued May 2010 (some changes effective 1 July 2010, others effective 1 January 2011)
- Disclosures - Transfers of Financial Assets - Amendments to IFRS 7* (effective 1 July 2011)
- Deferred Tax: Recovery of Underlying Assets - Amendments to IAS 12 Income Taxes* (effective 1 January 2012)

*Not expected to be relevant to the Group

1.3) Basis of Consolidation

The Group financial statements consolidate the financial statements of the company and of its subsidiary undertakings drawn up to 31 March 2011. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from its activities. The Group obtains and exercises control through voting rights. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are dealt with by the purchase method. The purchase method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated Statement of Financial Position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

Intercompany transactions, balances and unrealised gains on transactions between the group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the group.

1.4) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable from customers, net of trade discounts, VAT, other sales related taxes, and after eliminating sales within the Group. Revenue is recognised as follows:

Television & Education (Formerly Content)

Production revenue comprises broadcaster licence fees and other pre-sales receivable for work carried out in producing television programmes. To the extent that they meet the requirements of IAS 11, certain customer-specific production contracts are reported using the percentage-of-completion method.

In this method, revenues and gains on customer-specific contracts are recognized on the basis of the stage of completion of the respective project concerned. The percentage of completion is calculated as the ratio of the contract costs incurred up until the end of the year to the total estimated project cost (cost-to-cost method). Irrespective of the extent to which a project has been completed, losses resulting from customer-specific contracts are immediately recognized in full in the period in which the loss is identified. Gross profit on production activity is recognised over the period of the production and in accordance with the profitability

of the underlying contract. Overspends on productions are recognised as they arise and underspends are recognised on completion of the productions.

Revenue also includes sums receivable from the exploitation of programmes in which the company owns rights and is recognised when all of the following criteria have been met:

- i) an agreement has been executed by both parties;
- ii) the programme is available for delivery; and
- iii) the arrangements are fixed and determinable.

Gross profit from the exploitation of programme rights is recognised when receivable.

B2B (Formerly Communications)

Revenue is recognised in the accounting period in which the goods or services are rendered by reference to stage of completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Publishing: advertising revenue is recognised on the date publications are dispatched to customers.

Online: revenue is recognised at the point of delivery or fulfilment for single/discrete services.

Exhibitions: revenue is recognised when the show has been completed. Deposits received in advance are recorded as deferred income on the Statement of Financial Position.

When a service consists of one or more of the above named elements, the value of the service is attributed to the different elements and the revenue recognition criteria are applied to each component separately.

1.5) Production Costs

In the majority of cases, when the Group is commissioned to make a programme by a broadcaster, the broadcaster pays a licence fee for the programme in their own territory and the Group retains the right to exploit the programme elsewhere.

Where the licence fee exceeds the cost of production, then, due to the uncertain nature of other future revenues, the Group writes off 100% of the production cost against the licence fee income.

Where the estimated production costs are greater than the licence fee from the broadcaster, production will only take place if estimates of future income from all sources exceed the excess production costs. Under these circumstances, the excess production cost is included in 'Intangible Assets'. The net book value of the production is reduced at the year end by the income received in the year and the amount held on the Statement of Financial Position will be the lesser of the amount of anticipated future ancillary revenues and the amortised cost of investment as this is an indicator of impairment *assessed under a unit of production method*.

1.6) Property, plant and equipment

Property, plant and equipment are stated at cost net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold premises	over the term of the lease
Motor vehicles	20% on cost
Office equipment	10% on cost
Computer Equipment	20% on cost

Useful economic lives are reviewed annually. Depreciation is charged on all additions to, or disposals of, depreciating assets in the year of purchase or disposal. Any impairment in values is charged to the income statement.

1.7) Intangible assets

Goodwill

Subject to the transitional relief in IFRS1, all business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but tested annually for impairment.

Other Intangibles assets

The fair value of other intangible assets acquired as a result of business combinations are capitalised and amortised on a straight line basis through the income statement. The rates applicable, which represent directors' best estimate of the useful economic life, are:

Customer Relations	5 - 8 years
Magazine Titles	3 years
Customer Contracts	Length of contract

Where websites are identified as income generating, they are capitalised and amortised on a straight line basis through the income statement over 5 years. Capitalised website costs include external direct costs of material and services and the payroll and payroll-related costs for employees who are directly associated with the project.

Production costs included in intangible assets are amortised against ancillary income received associated with the production (see policy relating to production costs).

1.8) Leased assets

In accordance with IAS 17, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is recognised at the time of inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments plus incidental payments, if any, to be borne by the lessee.

A corresponding amount is recognised as a finance leasing liability. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the income statement on a straight line basis over the lease term.

Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

1.9) Inventories

TV & Education

Inventories comprise of costs on productions that are incomplete at the year-end less any amounts recognised as cost of sales.

B2B

Inventories comprise cumulative costs incurred in relation to unpublished titles or events, less provision for future losses and are valued on the basis of direct costs plus attributable overheads based on a normal level of activity. No element of profit is included in the valuation of inventories.

1.10) Programmes in progress at period end

Where productions are in progress at the period end and where the sales invoiced exceed the value of work done the excess is shown as deferred income; where the sales recognised exceed sales invoiced the amounts are classified as accrued income. Where it is anticipated that a production will make a loss, the anticipated loss is provided for in full.

1.11) Impairment of assets

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

Goodwill is allocated to those cash generating units that are expected to benefit from the synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

1.12) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of less than three months.

1.13) Equity

Equity comprises the following:

- *Share capital* represents the nominal value of equity shares.
- *Share premium* represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- *Merger Reserve* represents the excess over nominal value of the fair value of consideration received for equity shares, where ordinary shares are issued as consideration for the purchase of subsidiaries in which the group hold a 90% interest or above.
- *Retained earnings* represents retained profits.

1.14) Current and Deferred taxation

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax is not recognised in respect of:

- the initial recognition of goodwill that is not tax deductible and
- the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

1.15) Financial Instruments

Financial assets and liabilities are recognised on the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial Assets

Trade and other receivables

Trade and other receivables are initially recognised at fair value, adjusted for transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

Financial Liabilities

Financial liabilities and equity

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.

Bank Borrowings

Interest bearing bank loans and overdrafts are initially recognised at fair value, adjusted for transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

Finance charges, including premiums payable on settlement and direct issue costs, are accounted for on an effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Loan Notes

Loan notes are initially recognised at fair value, adjusted for transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

Finance charges, including premiums payable on settlement and direct issue costs, are accounted for on an effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade and other payables

Trade and other payables are initially recognised at fair value, adjusted for transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

1.16) Derivative Financial Instruments and Hedging Activities

The Group monitors interest rates and has entered into an interest rate collar to manage its exposures to fluctuating interest rates. These instruments are initially recognised at fair value on the trade date and are subsequently re-measured at their fair value on the reporting date. The resulting gain or loss is recognised in the income statement in finance costs.

Underlying the definition of fair value is the presumption that the Group is a going concern without any intention of materially curtailing the scale of its operations.

In determining the fair value of a derivative, the appropriate quoted market price for an asset held is the bid price, and for a liability issued is the offer price.

1.17) Employee Benefits

Share-based Payments

Under IFRS 2, all share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 April 2006 are recognised in the financial statements.

Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments are ultimately recognised as an expense in the income statement with a corresponding credit to reserves.

If vesting periods apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

Retirement benefits

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due.

1.18) Significant judgements and estimates

The preparation of consolidated financial statements under IFRS requires the Group to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

Impairment of goodwill

The Group is required to test, at least annually, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a suitable discount rate in order to calculate the present value of these cash flows. Actual outcomes could vary. See note 10.

Intangible assets

The Group recognises intangible assets acquired as part of business combinations at fair value at the date of acquisition. The determination of these fair values is based upon management's judgement and includes assumptions on the timing and amount of future incremental cash flows generated by the assets and selection of an appropriate cost of capital. Furthermore, management must estimate the expected useful lives of intangible assets and charge amortisation on these assets accordingly. See note 10.

Depreciation of property, plant and equipment

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out above. See note 11.

Contingent consideration

Where contingent consideration in a business combination is payable in cash and discounting would have a material effect the liability is discounted to its present value. Where the contingent consideration is

contingent and dependent upon future trading performance, an estimate of the present value of the likely consideration payable is made. See note 19.

Revenue recognition on B2B goods or services consisting of more than one element

Where the goods or services of the B2B division consist of one or more elements described in p.1.4, the group must make an allocation to be attributable to each of the elements in using a fair value estimate in accordance with IAS18. In particular, where an offering, such as a Media Package, consists of a publishing element and an on-line element, management makes an estimate on the fair value of attributable to each element on a product by product basis. Such estimates are made using feedback from the customers and sales teams, the payment terms achieved on each product and other factors.

1.19) Segmental reporting

In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. The activities undertaken by the *Television & Education segment (formerly Content)* include the production of Television and Radio content; the management of the Teachers TV channel; the creation and management of websites and online TV channels; and specialised CSR services. The *B2B segment (formerly Communications)* includes publishing, websites, event management, video production and specialised communications services.

During the year, one of the Group's operating companies, DBDA Limited was reassigned to the Television & Education division from the B2B division. The segmental results, see note 2, for the previous year's segmental results and information have been restated as if DBDA had been part of the Television & Education division from the beginning of that year.

Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements

2) SEGMENTAL INFORMATION

Management currently identifies the Group's two service lines as operating segments as further described in the accounting policy note. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

In addition, minor operating segments, for which the quantitative thresholds have not been met, are currently combined below under 'unallocated'.

	B2B		TV & Education		Unallocated		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Continuing Operations								
Revenue	30,961	42,188	20,912	23,946	-	-	51,873	66,134
Segment result	(4,651)	3,662	1,358	1,811	(1,065)	(811)	(4,358)	4,662
Restructuring & reorganisation							(1,140)	(211)
Amortisation and impairment of intangible assets							(16,014)	(864)
Operating profit							(21,512)	3,587
Finance costs							(1,106)	(557)
Finance income							23	150
Income tax expense							800	(738)
Profit for the year from continuing operations							(21,795)	2,442
Segment Assets	24,847	41,435	12,164	12,811	114	1,783	37,125	56,029
Segment Liabilities	(12,369)	(8,534)	(5,799)	(8,187)	(8,693)	(13,580)	(26,861)	(30,301)
Other Segment Items:								
Expenditure on intangible assets	1,089	1,606	112	360	-	-	1,201	1,966
Expenditure on property, plant and equipment	286	379	29	208	2	6	317	593
Restructuring costs	583	211	357	-	200	-	1,140	211
Release of payroll tax and penalty liability provisions	-	(853)	-	-	-	-	-	(853)
Amortisation	1,257	555	339	309	-	-	1,596	864
Depreciation	411	356	245	311	43	34	699	701
Impairment loss	13,295	-	1,123	-	-	-	14,418	-

Geographical segment is considered to be the Group's secondary segment, however, the internal reporting of the group's performance does not require that costs and/or Statement of Financial Position information is gathered on the basis of the geographical streams. As a result this secondary segmental analysis is limited to the group revenue.

The Group's principal operations are in the United Kingdom. Its revenue from external customers in the United Kingdom is £46.62m (2010: £59.68m), and the total revenue from external customers in other countries is £5.25m (2010: £6.45m).

3) TOTAL OPERATING COSTS

	2011	2010
	£'000	£'000
Cost of sales	31,487	37,606
Staff costs (see note 4)	15,572	17,140
Administrative costs		
Leases on premises	890	873
Other administrative expenses	7,562	5,372
Foreign exchange gains	21	(9)
Depreciation	699	701
Total operating costs	56,231	61,683

Included in other administrative expenses is the auditors' remuneration, including expenses for audit and non-audit services, as follows:

	2011 £'000	2010 £'000
Statutory audit services		
Annual audit of the company and the consolidated accounts	25	23
Non-audit services		
Audit of subsidiary companies	104	90
Interim	1	5
Tax advisory services	24	23
Other services	82	24
Total	211	142

4) STAFF COSTS

	2011 £'000	2010 £'000
Wages & salaries	14,100	16,270
Social security & other costs	1,225	627
Share-based payments	105	104
Pension costs	142	139
Total	15,572	17,140

The average number of employees employed by the Group during the year was:

	2011	2010
B2B	356	473
TV & Education	118	95
Other	5	5
Total	479	573

Directors' emoluments

					31 March 2011	31 March 2010
	Salaries and Fees £'000	Bonus £'000	Benefits in kind** £'000	Pension*** £'000	Total £'000	Total £'000
Executive Directors						
A.M. Connock	229	-	35	12	276	255
A.J. Dunleavy	295	-	2	39	336	321
N. Patel	176	-	1	24	201	189
Non-Executive Directors						
P. Bertram *(Chairman)	16	-	-	-	16	0
A.B. Walden (Chairman)	25	-	-	-	25	25
R.F.Z. Geldof KBE	75	-	-	-	75	75
T. Hoare	-	-	-	-	-	-
Total	816	0	38	75	929	865

* P. Bertram was appointed as chairman of the board on 18 January 2011. A.B. Walden, the previous Chairman, remains as a non-executive director on the board.

**The benefits in kind shown in the above table relate principally to a fully expensed company car and medical health cover for the Executive Directors and their immediate family.

***During the year, £75,000 (2010: £72,000) was paid with respect to personal pension schemes for 3 directors (2010: 3).

The Group considers that the directors are the Key Management personnel. The amount for share based payments charge (see Note 5) which relates to the directors was £74,000 (2010: £74,000).

5) SHARE BASED PAYMENTS

The charge for share based payments arises from the following schemes:

	2011 £000	2010 £000
Approved share option scheme	-	-
Unapproved share option scheme	105	104
Senior Director Incentive plan	(2)	2
	103	106

Share Option Schemes

Under the terms of the approved and unapproved share option schemes, the Board may offer options to purchase ordinary share options to employees and other individuals. Share options granted under the company's schemes are normally exercisable for an eight to ten year period. The vesting period ranges from the date of grant up to three years. There are no performance criteria that need to be met before options vest.

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

Approved share option scheme

	2011		2010	
	Number	WAEP £	Number	WAEP £
Outstanding at the beginning of the year	1,081,300	0.36	1,187,550	0.35
Exercised during the year	-	-	-	-
Cancelled during the year	-	-	(106,250)	0.23
Lapsed during the year	(596,300)	0.22	-	-
Outstanding at the end of the year	485,000	0.37	1,081,300	0.36
Exercisable at the end of the year	485,000	0.37	1,181,300	0.36

Unapproved share option scheme

	2011		2010	
	Number	WAEP £	Number	WAEP £
Outstanding at the beginning of the year	3,013,650	0.36	2,520,650	0.38
Granted during the year	-	-	493,000	0.27
Exercised during the year	-	-	-	-
Cancelled during the year	(30,000)	0.27	-	-
Lapsed during the year	(180,650)	0.23	-	-
Outstanding at the end of the year	2,803,000	0.37	3,013,650	0.36
Exercisable at the end of the year	465,000	0.37	645,650	0.33

The options outstanding as at 31 March 2010 have the following weighted average exercise prices and expire in the following financial years:

Expiry	Exercise Price £	2011 No	2010 No
31 March 2010	0.22	-	776,950
31 March 2014	0.29	100,000	100,000
31 March 2015	0.33	425,000	425,000
31 March 2016	0.63	425,000	425,000
31 March 2019	0.40	1,875,000	1,875,000
31 March 2020	0.27	463,000	493,000
		3,288,000	4,094,950

No options were exercised and 596,300 options were cancelled during the year.

The fair values of the options granted under the scheme were valued using the Black Scholes model using the following:

Scheme	2011		2010	
	EMI	Unapproved	EMI	Unapproved
Number granted	-	-	-	493,000
Weighted average share price at grant	-	-	-	0.25
Weighted average share exercise price	-	-	-	0.27
Weighted average expected volatility	-	-	-	38%
Average expected life (years)	-	-	-	5
Weighted average risk free rate	-	-	-	3%
Expected dividend yield	-	-	-	0%

The expected volatility was calculated using the historic volatility of the Company's share price over the period since listing. The weighted average risk free rate has been calculated using the gilt rates on the date of grant. The expected life of the options is based on the assumption that on average, the options will be exercised evenly over their life.

Senior Director Incentive Plan

During the year the Senior Director Incentive Plan was cancelled.

6) RESTRUCTURING COSTS

Restructuring Costs are presented separately as, due to their nature or for the infrequency of the events giving rise to them, this allows shareholders to understand better the elements of financial performance for the year, to facilitate comparison with prior periods, and to assess better the trends of financial performance.

	2011 £'000	2010 £'000
Restructuring Costs		
Vacant property costs & dilapidations	147	50
Redundancy	357	161
Professional fees	636	-
Restructuring Costs	1,140	211

7) FINANCE COSTS AND INCOME

	2011 £'000	2010 £'000
Finance Costs		
Interest payable on bank borrowings	(333)	(379)
Issue costs of bank loans	(748)	(156)
Interest payable on loan note	(20)	-
Interest payable on finance leases	(5)	(5)
Settlement of hedging instruments	(12)	(141)
Movement in fair value of hedging instruments	12	124
Finance Costs	(1,106)	(557)
Finance Income		
Bank interest receivable	23	150
Net Finance Costs	(1,083)	(407)

8) INCOME TAX EXPENSE

Taxation Charge

	2011 £'000	2010 £'000
Current tax expense:		
current year before exceptional items	(171)	634
adjustment for prior years	(96)	(6)
	(267)	628
Deferred tax		
Origination and reversal of temporary differences (see note 17)	(533)	110
Total income tax expense	(800)	738

Reconciliation of taxation expense:

	2011 £'000	2010 £'000
Profit before tax	(22,630)	3,180
Taxation expense at UK corporation tax rate of 28% (2010: 28%)	(6,336)	890
Non-taxable income/non-deductible expenses	3,929	-
Losses carried forward and temporary differences not recognised	1,703	(146)
Under provision in prior periods	(96)	(6)
Total income tax expense	(800)	738

9) EARNINGS PER SHARE

	2011	2010
Weighted average number of shares used in basic earnings per share calculation	84,193,032	64,366,515
Dilutive effect of share options	0	91,592
Weighted average number of shares used in diluted earnings per share calculation	84,193,032	64,458,107
	£'000	£'000
(Loss)/Profit for period attributable to shareholders	(22,043)	2,339
Amortisation and impairment of intangible assets adjusted for deferred tax impact	15,736	1,471
Restructuring	1,140	211
Share-based payments	105	104
Adjusted (loss)/profit for period attributable to equity holders of the parent	(5,062)	4,125
Basic Loss/Earnings per Share	(26.18)p	3.63 p
Diluted Loss/Earnings per Share	(26.18)p	3.63 p
Adjusted Basic Loss/Earnings per Share	(6.01)p	6.41 p
Adjusted Diluted Loss/Earnings per Share	(6.01)p	6.40 p

10) INTANGIBLE ASSETS

	Goodwill	Customer Relationships	Magazine titles	Customer Contracts	Websites	Total
	£000	£000	£000	£000	£000	£000
Cost						
At 1 April 2009	24,790	3,818	605	116	489	29,818
Acquisition of subsidiaries	95	-	566	-	-	661
Internal development	-	-	-	-	865	865
Revised contingent consideration and additional expenses relating to previous years acquisitions	440	-	-	-	-	440
Exchange movements	8	-	37	-	-	45
At 31 March 2010	25,333	3,818	1,208	116	1,354	31,829
Acquisition of subsidiaries	603	-	513	-	-	1,116
Internal development	-	-	-	-	13	13
Revised contingent consideration and additional expenses relating to previous years acquisitions (see note 17)	72	-	-	-	-	72
Exchange movements	1	-	21	-	-	22
At 31 March 2011	26,009	3,818	1,742	116	1,367	33,052
Amortisation						
At 1 April 2009	(215)	(1,056)	(119)	(99)	(73)	(1,562)
Charge for the year	-	(574)	(100)	(17)	(172)	(863)
Impairment charge	-	-	-	-	-	-
At 31 March 2010	(215)	(1,630)	(219)	(116)	(245)	(2,425)
Charge for the year	-	(764)	(560)	-	(272)	(1,596)
Impairment charge	(14,418)	-	-	-	-	(14,418)
Exchange movements	-	-	(4)	-	-	(4)
At 31 March 2011	(14,633)	(2,394)	(783)	(116)	(517)	(18,443)
Net Book Value						
At 31 March 2011	11,376	1,424	959	-	850	14,609
At 31 March 2010	25,118	2,188	989	-	1,109	29,404

Goodwill

Goodwill arising on acquisitions after the date of transition to IFRS is attributable to operational synergies and earnings potential expected to be realised over the longer term.

Customer Relationships

Customer relationships relating to contract publishing relationships are amortised over an 8 year period which is representative of the average length of the contract publishing relationships acquired.

Magazine Titles

Magazine titles are magazines for which the intellectual property is wholly owned by the company.

Websites

Development costs of revenue generating websites are capitalised as intangible assets.

Impairment Tests for Goodwill

The carrying amount of goodwill by operating segment is:

	2011 £000's	2010 £000's
B2B	7,655	20,386
TV&E	3,721	4,732
Total	11,376	25,118

Goodwill is not amortised but, but tested annually for impairment with the recoverable amount being determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rate, growth rates and forecasted in income and costs.

The Group prepares discounted cash flow forecasts based on financial forecasts approved by management covering a five-year period, which takes account of both past performance and expectations for future market developments. Thereafter growth is assumed to be nil. Management estimates the discount rate using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to media businesses. A pre-tax discount rate of 10.4% has been used. The main assumption on which the forecast cashflows were based include revenue growth, margin growth, migration to online and expansion of services in video and other visual products. All key assumptions used by management within the cashflow forecasts are based on past experience, sector experience and the analysis on the expansion of digital markets.

11) PROPERTY, PLANT AND EQUIPMENT

	Short leasehold land and buildings £000's	Motor vehicles £000's	Office and computer equipment £000's	Total £000's
Cost				
At 1 April 2009	204	147	3,403	3,754
Additions	104	-	489	593
Acquisition of subsidiaries	-	-	-	-
Disposals & retirements	(66)	(55)	(264)	(385)
At 31 March 2010	242	92	3,628	3,962
Additions	6	-	277	283
Acquisition of subsidiaries	-	-	34	34
Disposals & retirements	(21)	(78)	(239)	(338)
At 31 March 2011	227	14	3,700	3,941
Depreciation				
At 1 April 2009	(122)	(29)	(1,887)	(2,038)
Charge for the year	(38)	(42)	(621)	(701)
Disposals & retirements	66	48	259	373
At 31 March 2010	(94)	(23)	(2,249)	(2,366)
Charge for the year	(47)	(30)	(622)	(699)
Disposals & retirements	21	42	240	303
At 31 March 2011	(120)	(11)	(2,631)	(2,762)
Net Book Value				
At 31 March 2011	107	3	1,069	1,179
At 31 March 2010	148	69	1,379	1,596

Included in the book values above is £11,000 relating to assets held under finance leases (2010: £47,000).

12) INVENTORIES

	2011 £'000	2010 £'000
Work in progress- TV&E	315	620
Work in progress- B2B	2,639	1,775
Total Inventories	2,954	2,395

No Inventories were written off during the year. Prior year's balances have been restated to recognise the movement of DBDA Limited from the B2B division to the TV&E division.

13) TRADE AND OTHER RECEIVABLES

	2011 £'000	2010 £'000
Current		
Trade receivables	10,197	12,226
Less provision for impairment	(255)	(240)
Net trade receivables	9,942	11,986
Other receivables	872	607
Prepayments and accrued income	2,995	3,373
	13,809	15,966

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. The maximum exposure to credit risk at the reporting date is the carrying value of each class of asset above. The Group's receivables are unsecured. The Group is not subject to any significant concentrations of credit risk.

Trade receivables that were past due but not impaired are as follows:

	2011 £'000	2010 £'000
Not more than 3 months	3,473	3,329
More than 3 months but less than 1 year	1,246	986
More than 1 year	392	596
	5,111	4,911

14) CASH AND CASH EQUIVALENTS

	2011 £'000	2010 £'000
Cash at bank and on hand	4,485	6,669
Total Cash and cash equivalents	4,485	6,669

The Group's credit risk exposure in connection with the cash and cash equivalents held with financial institutions is managed by holding funds in a high credit worthy financial institution (Moody's Aa3).

15) TRADE AND OTHER PAYABLES

	2011 £'000	2010 £'000
Current		
Trade payables	5,581	7,726
Other payables	330	135
Other taxes and social security	978	1,090
Accruals and deferred income	11,183	7,749
Contingent consideration payable	317	857
	18,389	17,557

The Directors consider that the carrying amount of trade and other payables approximates to their fair value. The Group's payables are unsecured.

16) BORROWINGS AND OTHER FINANCIAL LIABILITIES

	2011 £'000	2010 £'000
Current		
Bank loans – secured	6,950	2,500
Finance leases – secured	7	27
	6,957	2,527
Non-current		
Bank loans – secured	-	9,450
Loan notes – secured	1,520	-
Finance leases – secured	2	-
	1,522	9,450
Total	8,479	11,977

Maturity of Financial Liabilities

The maturity of borrowings is as follows:

	2011 £'000	2010 £'000
Repayable within one year and on demand:		
Bank loans	6,950	2,500
Finance leases	7	27
Trade payables	5,581	7,726
Derivative instruments	-	12
	12,538	10,265
Repayable between one and two years:		
Bank loans	-	2,500
Finance leases	2	-
Derivative instruments	-	15
	2	2,515
Repayable between two and five years:		
Bank loans	-	6,950
Loan notes	1,520	-
Finance leases	-	-
	1,520	6,950
Total	14,060	19,730

Bank loans

Bank Loans relate to a facility with the Bank of Scotland used in the acquisitions of McMillan Scott, Atalink, DBDA, Mongoose Media and Sovereign Publications. The interest on the facility is based on LIBOR plus a margin. The facility contains covenants based on Debt to EBITDA ratios, EBITDA interest coverage and CFADS to debt servicing ratios. An amendment to the facility agreement was agreed on 7 July 2011. Accordingly the covenants have now been reset as per the agreement signed on and the following debt repayment schedule has been agreed:

Repayment date	Repayment amount £'000
31/12/2011	£750
31/03/2012	£1,000
31/03/2013	£1,000
31/03/2014	£4,250
Total	£6,950

The Bank Loans are secured by a floating charge over the assets of all the Group companies with the exception of Education Digital 2 Limited. The Bank Loans are also secured by cross guarantees by all the group companies.

Loan notes

Loan Notes relate to a debenture with Herald GP II Limited, a related party through shareholding, used along with a related share placing to reduce the Bank Loans and provide working capital to the company.

The Loan Notes are secured by a floating charge over the assets of all the Group companies with the exception of Education Digital 2 Limited.

17) FINANCIAL INSTRUMENTS

Financial risk management

The Group's financial instruments, other than derivatives, comprise borrowings, cash and liquid resources and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The principal financial risks faced by the Group are liquidity/funding, interest rate, foreign currency and counterparty risks. The policies and strategies for managing these risks are summarised as follows:

Risk	Potential impact	How it is managed
Liquidity	<p>The Group's debt servicing requirements and investment strategies, along with the diverse nature of the group's operations, means that liquidity management is recognised as an important area of focus.</p> <p>Liquidity issues could result in the imposition of operational controls by the Group's lenders. In addition, liquidity issues could have a negative reputational impact, particularly with suppliers.</p>	<p>The Group's treasury function is principally concerned with internal funding requirements, debt servicing requirements and funding of new investment strategies.</p> <p>Internal funding and debt servicing requirements are monitored on a continuing basis through the Group's management reporting and forecasting. The Group also maintains a continuing dialogue with the Group's lenders as part of its information covenants. The requirements are maintained through a combination of retained earnings, asset sales or capital markets.</p> <p>New investments strategies are to be funded through the use of shareholder loans or capital markets.</p>
Interest rate fluctuations	<p>The Group's exposure to interest rate risk is shown (by way of sensitivity to changes in interest rates) in the rate risk table below.</p>	<p>The Group's debt currently consists of variable rate debt. The Group's policy is to enter into interest rate caps with the associated lender. As at 31 March 2011, no hedging instruments were in place, but the Group is actively monitoring this position.</p>
Exchange rate fluctuations	<p>The Group has two operations in Singapore and foreign exchange rate fluctuations could adversely affect our earnings and the strength of our balance sheet.</p> <p>Transactional foreign currency exposures arise from both the export of services from the UK to overseas clients, and from the import of services directly sourced from overseas suppliers.</p>	<p>The Group is primarily exposed to foreign exchange in relation to sterling against movements in US\$, Singapore\$ and euro€ but is not considered by management to be significant.</p>

Interest Sensitivity analysis

The table below illustrates the estimated impact on the income statement as a result of market movements in interest rates in relation to all of the Group's financial instruments. The Group considers a 2% increase or 0.25% decrease in interest rates to be reasonably possible based on observation of current market conditions. All other variables are held constant. However, this analysis is for illustrative purposes only.

The impact in the income statement due to changes in interest rates reflects the effect on the Group's floating rate debt as at the reporting date.

	0.25% decrease in interest rates £'000	2% increase in interest rates £'000
At 31 March 2010		
Impact on income statement and equity: gain/(loss)	30	(239)
At 31 March 2011		
Impact on income statement and equity: gain/(loss)	21	(169)

Derivative financial instruments

	2011		2010	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Current				
Interest Rate Collar	-	-	-	12
	-	-	-	12
Non-current				
Senior Director Incentive Plan	-	-	-	15
	-	-	-	15
Total	-	-	-	27

The interest rate collar, which consisted of a 6.5% interest rate cap for LIBOR and a 5.7% interest rate floor for LIBOR, was entered into in relation to the Bank of Scotland facility. At 31 March 2011 £nil (2010: £3,000,000) of the facility was subject to the interest rate collar which expired on 30 April 2010.

18) DEFERRED TAX

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 28% for UK differences. The movements in deferred tax assets and liabilities during the period are shown below.

	Accelerated capital allowances £000	Losses carried forward £000	Intangible assets £000	Share based payments £000	Other temporary differences £000	Total £000
At 1 April 2009	153	303	(680)	24	127	(73)
Recognised in the income statement	(2)	(205)	122	(21)	(4)	(110)
Acquired on acquisition	-	-	(102)	-	-	(102)
Exchange differences	-	-	(7)	-	-	(7)
At 31 March 2010	151	98	(667)	3	123	(292)
Recognised in the income statement	(19)	284	278	(3)	(7)	533
Acquired on acquisition	-	-	(147)	-	-	(147)
Exchange differences	-	-	(4)	-	-	(4)
At 31 March 2011	132	382	(540)	-	116	90

Deferred tax assets estimated at £1,833,000 (2010: £56,000) in respect of losses carried forward have not been recognised due to uncertainties as to whether or not income will arise against which such losses will be utilised.

19) BUSINESS COMBINATIONS

Grove House Publishing Limited

On 10 May 2010, Ten Alps Communications Limited purchased the whole of the share capital of Grove House Publishing Limited (Grove) for initial consideration of £741,500, satisfied by the issue of 3,617,021 ordinary shares. Further consideration of £400,000 was paid in cash on 21 October 2011. The acquisition fills a key sector gap in the Group's trade media portfolio. Grove owns titles including Farm Business, The Agronomist, Pig and Poultry Marketing and Over the Counter, plus related events and database products. The directors believe that the acquisition of Grove offers strong growth prospects for the Group as a standalone entity, through online migration of its products by Ten Alps, and through benefits from integration into the Group's central services.

The assets and liabilities arising from the acquisition are as follows:

	Book Value £'000	Fair Value Adjustments £'000	Fair Value £'000
Intangible assets	-	513	513
Property, plant and equipment	34	-	34
Inventories	-	-	-
Trade and other receivables~	426	-	426
Cash and cash equivalents	246	-	246
Trade and other payables	(288)	-	(288)
Current tax liabilities	(37)	-	(37)
Deferred tax	(3)	(144)	(147)
Net assets acquired	378	369	747
Goodwill capitalised*			600
Consideration given			1,347
Satisfied by:			
Issue of shares			742
Cash			400
Deferred contingent consideration			205
			1,347

~Gross contractual trade and other receivables total £437,000 while £11,000 are estimated to be non-receivable.

*The factors that make up the goodwill include the potential on-line migration of Grove's publications by the Group and the benefits from integration into the Group's central services.

At 31 March 2011 the Grove purchase is subject to two additional contingent consideration payments of up to £500,000 in total. These payments are dependent on the achievement of EBIT targets for the years ending 31 March 2012 and 31 March 2013, and will be satisfied by cash. As at 31 March 2011, a total £205,000 of deferred consideration had been provided for.

The contribution to the operating profits and revenues for Grove House Publishing are set out below:

	Post Acquisition 10 May 2010 to 31 March 2011 £'000	Full year 1 April 2010 to 31 March 2011 £'000
Revenue	1,296	1,448
Operating profit	103	140

If all the above acquisitions had been acquired on 1 April 2010, revenue of the group for 2011 would have been £47.85m and operating loss of the group for 2011 would have been £18.89m. These results have been calculated using the results of the acquired subsidiaries up to the date of acquisition and prorated to

start on 1 April 2010. Any difference between the group's accounting policies and those applied by the acquired subsidiaries prior to the acquisition are deemed to be immaterial.

Ten Alps Communications Asia Pte Limited

During the year, Ten Alps Asia Holdings Pte Limited, acquired an additional 5% of the share capital of Ten Alps Communications Pte Limited for consideration of S\$115,000, taking its total stake in the company to 65%. The difference between the carrying value of the non-controlling interest and the consideration paid was a loss of £26,000 and has been recognised in equity.

Contingent consideration of Subsidiaries Acquired Prior to 1 April 2010

DBDA

During the year, consideration of £766,667 was paid in cash to the vendors of DBDA upon the achievement of certain profit targets. At 31 March 2011, no further consideration was payable and therefore no further provision was made (2010: £766,667).

Mongoose Media

During the year, consideration of £50,199 was paid in cash to the vendors of Mongoose Media Limited upon the achievement of new client profit targets. At 31 March 2011, no further consideration was payable and therefore no further provision was made (2010: £90,000).

20) SHARE CAPITAL

	Shares	2011 Share capital £'000	Share premium £'000	Shares	2010 Share capital £'000	Share premium £'000
Authorised ordinary shares of 2p each	112,500,500	2,250		112,500,500	2,250	
Allotted, called up and fully paid ordinary of 2p each:						
At start of year	64,689,686	1,294	10,181	63,914,076	1,278	9,999
Shares issued as consideration	3,617,021	72	-	-	-	-
Shares issued as contingent consideration	-	-	-	775,610	16	182
Shares issued as remuneration	468,750	9	28	-	-	-
Shares issued as private placement	63,765,555	1,276	4,421	-	-	-
At end of year	132,541,012	2,651	14,630	64,689,686	1,294	10,181

Issue of new shares

The company issued 5,484,305 ordinary shares on 1 April 2010 at a price of 22.3p per share to institutional and ordinary investors as part of a private placement for net proceeds of £1,223,000.

The company issued 3,617,021 ordinary shares on 10 May 2010 in connection with the acquisition of Grove House Publishing Limited (see note 18).

The company issued 58,281,250 ordinary shares on 14 January 2011 at a price of 8p per share to institutional and ordinary investors as part of a private placement for net proceeds of £4,472,465. 1,937,500 of these shares were issued to directors and senior management of the company.

The company issued 468,750 ordinary shares on 14 January 2011 to Hixdell Limited, a company controlled by R.F.Z. Geldof, in lieu of director's fees totalling £37,500.

21) CONTINGENCIES AND COMMITMENTS

Capital Commitments

The Group had no capital commitments as at 31 March 2010 or 31 March 2011.

Operating Leases

The future minimum rentals under non-cancellable operating leases are as follows:

	31 March 2011		31 March 2010	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Within one year	1,097	52	1,061	78
Between one and five years	1,531	51	2,273	130
After five years	57	-	265	1
	2,685	103	3,599	209

22) RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Acquisition of Grove House Publishing Limited

Herald Ventures owned 53% of Grove House and was managed by Herald Investment Management Limited. Herald Investment Management Limited also manages Herald Investment Trust plc which at the time of the acquisition owned 7,485,343 shares in the Company. The acquisition of Grove House is therefore deemed a related party transaction under the AIM Rules.

Loan Note

On 14 January 2011 the Company issued a Loan Note of £1.5m to Herald GP II Limited, a related party transaction via the shareholding of Herald Investment Trust.

The Loan Note is secured by a floating charge over the assets of all the Group companies with the exception of Education Digital 2 Limited and ranks behind Bank of Scotland plc security.

Non-Executive Transaction

The company issued 468,750 ordinary shares on 14 January 2011 to Hixdell Limited, a company controlled by R.F.Z. Geldof, in lieu of director's fees totalling £37,500.

Independent auditor's report to the members of Ten Alps plc

We have audited the parent company financial statements of Ten Alps plc for the year ended 31 March 2011 which comprise the parent company balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

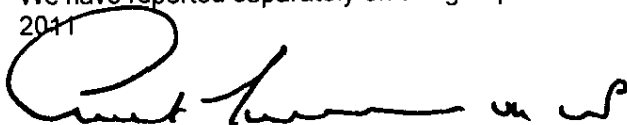
Matters on which we are required to report by exception

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

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

Other matter

We have reported separately on the group financial statements of Ten Alps plc for the year ended 31 March 2011



Mark Henshaw

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
08 July 2011

Company balance sheet

	Note	2011 £ '000	2010 £ '000
Fixed assets			
Investments in Subsidiaries	25	10,366	24,233
Tangible assets	26	30	71
		10,396	24,304
Current assets			
Debtors	27	8,990	6,226
Cash at bank		99	1,536
		9,089	7,762
Creditors			
Amounts falling due within one year	28	(7,451)	(3,859)
Net current assets		1,638	3,903
Total assets less current liabilities		12,034	28,207
Creditors			
Amounts falling due after more than one year	29	(1,520)	(9,450)
Net assets		10,514	18,757
Capital and reserves			
Called up share capital	19	2,651	1,294
Share premium account	29	15,455	10,338
Capital reserve	29	111	111
Other reserve	29	2	2
Profit and loss account	29	(7,705)	7,012
Shareholders' funds		10,514	18,757

23) ACCOUNTING POLICIES - COMPANY

The financial statements are prepared in accordance with United Kingdom generally accepted accounting standards. The principal accounting policies of the Group are set out below. The policies have remained unchanged from the previous year.

(a) Accounting convention

The accounts are prepared under the historical cost convention.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent company's loss for the year ended 31 March 2010 was £170,000 (2009: profit of £344,000).

(b) Depreciation

Depreciation is provided so as to write off the costs of tangible fixed assets over their estimated useful lives.

The following are the main annual rates used:

Motor vehicles	20% on straight line basis
Computer equipment	20% on straight line basis
Office equipment	10% on straight line basis

(c) Investments

Investments held as fixed assets are stated at cost less provision for impairment.

(d) Pensions

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account when they are due.

(e) Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those which are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

(f) Share based payments

All share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 April 2006 are recognised in the financial statements.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to "profit and loss account".

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

24) EMPLOYEES - COMPANY

	31 March 2011	31 March 2010
	£'000	£'000
Wages and salaries	713	544
Social security costs	75	71
Other pension costs	61	54
	849	669
Average number of employees		
Management	4	4
Administration	1	1
	5	5

The costs related to the directors are disclosed in note 4.

25) INVESTMENT IN SUBSIDIARIES - COMPANY

	£'000
Total cost of acquisitions at 1 April 2010	24,233
Additions in year	-
Impairment	(13,827)
Change in estimate of contingent consideration	(40)
Investment in subsidiaries at 31 March 2011	10,366
Investment in subsidiaries at 31 March 2010	24,233

The principal subsidiaries of the Group during the year were:

	Country of incorporation, registration and operation	Class of capital	% held	Description of activity
Atalink Limited	England & Wales	Ordinary	100% Direct	Contract Publishing
#Below the Radar Limited	Northern Ireland	Ordinary	100% Indirect	TV Production
Blakeway Productions Limited	England & Wales	Ordinary	100% Direct	TV and Radio Production
Brook Lapping Productions Limited	England & Wales	Ordinary	100% Direct	TV and Radio Production
DBDA Limited	England & Wales	Ordinary	100% Direct	CSR consulting
^Education Digital 2 Limited	England & Wales	Ordinary	75% Indirect	Channel Management
Films of Record Limited	England & Wales	Ordinary	100% Direct	TV Production
+Grove House Publishing Limited	England & Wales	Ordinary	100% Indirect	B2B Publishing
Ten Alps B2B Limited	England & Wales	Ordinary	100% Direct	Contract Publishing & Advertising
Ten Alps TV Limited	England & Wales	Ordinary	100% Direct	TV and Radio Production
#Ten Alps Asia Pte Limited	Singapore	Ordinary	100% Direct	TV Production
Ten Alps Asia Holdings Pte Limited	Singapore	Ordinary	100% Direct	Holding company
~Ten Alps B2B Asia Pte Limited	Singapore	Ordinary	60% Indirect	B2B Publishing

Subsidiary of Blakeway Productions Limited

^ Subsidiary of Brook Lapping Productions Limited

+ Subsidiary of Ten Alps B2B Limited

~ Subsidiary of Ten Alps Asia Holdings Pte Limited

26) TANGIBLE FIXED ASSETS - COMPANY

	Motor vehicles £000's	Office and computer equipment £000's	Total £000's
Cost			
At 31 March 2010	32	144	176
Additions	-	1	2
At 31 March 2011	32	145	177
Accumulated Depreciation			
At 31 March 2010	(17)	(88)	(105)
Charge for the year	(7)	(35)	(42)
At 31 March 2011	(24)	(123)	(147)
Net Book Value			
At 31 March 2011	8	22	30
At 31 March 2010	15	56	71

27) DEBTORS - COMPANY

	2011 £'000	2010 £'000
Amounts owed by subsidiary undertakings	8,488	5,765
Other debtors	468	191
Deferred taxation	9	8
Prepayments and accrued income	25	263
	8,990	6,226

28) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - COMPANY

	2011 £'000	2010 £'000
Bank loans	6,950	2,500
Trade creditors	172	140
Amounts due to subsidiary undertakings	305	1,010
Other creditors	-	6
Deferred contingent consideration	-	90
Accruals and deferred income	255	160
Corporation tax	(231)	(46)
	7,451	3,859

29) CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - COMPANY

	2011 £'000	2010 £'000
Bank loans	-	9,450
Loan notes	1,520	-
	1,520	9,450

30) RESERVES - COMPANY

	Share premium account £'000	Capital reserve £'000	Other reserve £'000	Profit and loss account £'000
Balance at 1 April 2010	10,338	111	2	7,012
Shares issued	5,117	-	-	-
Recognition of equity-settled share-based payments in the year	-	-	-	105
Retained loss for the year	-	-	-	(15,403)
Dividends received from subsidiaries	-	-	-	581
Balance at 31 March 2011	15,455	111	2	(7,705)