MINDS + MACHINES GROUP LIMITED

(FORMERLY KNOWN AS TOP LEVEL DOMAIN HOLDINGS LIMITED)

Annual Report and Accounts for the year ended
31 December 2013

Minds + Machines Group Limited

Minds + Machines Group Limited, formerly known as Top Level Domain Holdings Limited ("MMX" or the " Company") is a BVI incorporated company, which is traded on the AIM Market operated by the London Stock Exchange ("AIM"). The Company and its subsidiaries' (the "Group") is a major participant in the generic top level domain ("gTLD") application programme and participates in and provides services for many other facets of the domain name industry, from registry ownership and operations to consumer sales and provides a complete suite of registry service provider ("RSP") solutions for gTLD applicants.

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Executives Statements

CHAIRMAN'S STATEMENT

Our company was set up, from the start, as a pure play on the new top-level domain space. Our vision was, and remains, that new top-level domains will replace .com and country code domains as the mainstream solution for naming things on the Internet.

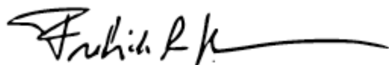
From the beginning, we decided that we would build our entire technology independently, without requiring — or paying for — a third party platform, which means we can both own and operate our domains. We developed, built and deployed our own registry service platform in Dublin. This has been a deliberate capital investment, but one that is now paying off. It also enabled us to secure the rights to 5 key geographic top-level domains, including .London, which shows significant early promise. Over the last 9 months, we have also significantly invested in our own registrar and affiliate programme, which means we can capture additional revenue through the sales of domain addresses within our domains as well as through the ownership and operation of those domains. We believe that this will be advantage for us in exploiting vertical markets such as .horse or .wedding.

As we expected, private auctions have become the key method of settling contention between applications and we have benefited from this development, as it has enabled our cash to work on a leveraged basis: the domains we have lost in private auction (for example .property and .website) have helped finance new TLDs we have acquired such as .wedding and .garden. We now have an uncontested TLD portfolio of the highest possible quality, and while not the largest, I believe that the grade of our domains is truly first-rate. We look forward to continuing to add to our portfolio through the private auction process.

And so now, five years on from our first investment in this space, the vision is starting to become a reality. The very first results from the new TLD programme are in, and they are encouraging. While brands have still not yet engaged with the programme, end users have, and the numbers prove it. Still, this is very, very early and it will take a significant amount of time before the average golf store registers its name as .golf, as opposed to .com, or .co.uk. But we are convinced it will happen.

The next twelve months should be extremely interesting for us as we believe we are at the start of a very significant new trend in the entire Internet, where small businesses and individuals dramatically increase the amount of names they use online, and do so with far greater ease. Minds + Machines wants to be the first and last stop for these users to get online.

We believe that our cash resources are more than sufficient to get us to profitability and take advantage of these tremendous opportunities. As they say in American Baseball, this is the beginning of the first innings. It's going to a very exciting game. To that end, I am also delighted to have welcomed both Keith Teare and Elliott Noss onto the Board, both of whom have brought significant operational perspectives to the Board. Again, we would like to thank those directors who retired in the year for their input in the early stage development of the Group.



Fred Krueger

Executive Chairman

9 June 2014

CHIEF EXECUTIVE OFFICER'S BUSINESS REVIEW

I am delighted to report that the twelve months ended 31 December 2013 was one of significant development and progress for the Group as we transitioned from an investment company to a fully operating business – a process that completed with the re-naming and readmission of the Group on AIM post year-end on 21 March 2014.

During the year under review our registry service operations were expanded in Dublin, where we have a team of 16 people, and our London office launched where we now have a team of 4.

In Germany our majority-owned businesses, Bayern Connect GmbH and Minds + Machines GmbH, have continued to work closely with the governments of the Free State of Bavaria and North Rhine Westphalia, respectively, to prepare for the launches of .bayern and .nrw, both launching later this year. There are now 2 people located in Munich.

In November 2013, we were also delighted to launch our registrar operations, which enabled us as an ICANN-accredited registrar to be part of the distribution network of registrars able to sell domain addresses to the public. The Minds + Machines registrar is a powerful tool for capturing additional revenue from our portfolio of top-level domains, as well as from those of others, and we soon plan to offer additional goods and services with each domain, further increasing our revenue potential.

With regards to our portfolio, we have successfully used the private auction process to grow selectively the number of uncontested applications we own, while monetising those which we feel our competitors have over-valued.

As of May 28th 2014, we have 8 generic Top Level Domains (gTLDs) in which we have an interest already live on the Internet: .cooking, .country, .fishing, .horse, .kiwi, .rodeo, .vodka, and most notably .london which launched to significant media and public interest on 29 April 2014.

We have a further 22 uncontested applications – of which 17 are wholly or majority owned by the Company – that continue to go through the delegation and pre-launch processes broadly in sequence to their original Priority Draw Number.

In addition, we have a further 35 wholly-owned contested applications – as well 8 partner/client applications – that we will be looking to resolve through the ongoing private auction rounds.

As our CFO Michael Salazar will expand upon, we have also worked hard to husband our financial resources during the period under review while at the same time expanding our business. As at 31 December 2013 our cash reserves stood at £9 million, and now stand at over £21.7 million following the £21 million placing announced on 31 January 2014. In addition, we continue to keep in place a funding facility for up to US$15 million (approximately £9.4 million) to compete in a specific domain string private auction.

As a result of the above, we believe the Company is exceptionally well placed to now develop into a highly cash generative business over the coming 12 - 24 months.

Antony Van Couvering

Chief Executive Officer

9 June 2014

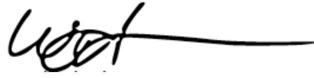
CHIEF FINANCIAL OFFICER'S FINANCIAL REVIEW

First and foremost we are pleased to report an operating profit of £776,000 in 2013 (2012: 3.07 million operating loss). Profit was primarily a result from participating three private auctions, which resulted in gross revenue of £4.12 million and an increase in intangible assets in 2013 of £1.3 million. Profit after tax for the period under review was £729,000, a significant improvement over the preceding year where the loss was £3.06 million.

Reflecting the transition to an operating business, administrative expenses, including marketing, increased to £2.9 million in 2013 (2012: £2.6 million) as a result of undertaking a new line of business, registrar services, and preparation for the rollout of the 8 new gTLDs as highlighted above. General administrative expenses, excluding marketing, are expected to increase slightly while marketing expenses will increase significantly in 2014. Marketing expenses through the first quarter of 2014 amounted to £252k.

Cash reserves increased to £9.1 million in 2013 from £2.4 million in 2012. Net cash outflow from operating activities amounted to £2.4 million (2012: £12.8 million). The change in cash reserves and cash fluctuations throughout the year primarily relates to private auction participation and an equity raise (£6.7 million) in June 2013. In 2014 our cash reserves have increased to £21.7 million as at 30 April 2014 as a result of a subsequent equity raise of £19.6 million (net of expenses) in January 2014 and private auction transactions.

As we begin generating revenues from our first live gTLDs in which the Group has an interest, we anticipate revenues from ongoing operations - as opposed to those derived from one-off private auctions and the equivalent – to move the Group into a cash neutral position during the latter part of 2014. We further expect revenues to continue growing in 2015 as a result of the ongoing launch programme of our gTLD portfolio. In conclusion, the Company's progress in 2013 has placed the Group in a financial highly secure position.



Michael Salazar

Chief Financial Officer

9 June 2014

Summary Information

About Us

MMX is a publicly traded company on the AIM market of the London Stock Exchange (ticker: MMX).

MMX is a major participant in the generic top level domain ("gTLD") application process and currently has an interest in over two dozen uncontested gTLD applications. MMX has a further interest in more than 40 additional gTLD applications, which there are still competing applicants.

The Group also participates in and provides services for many other facets of the domain name industry, from registry ownerships and operations to consumer sales and provides a complete suite of registry service provider ("RSP") solutions for gTLD applicants.

Financial Highlights

	FY 2013(2)	**PE 2012**(3)	**Percentage change**
	£'000	£'000	
Operating profit / (loss) (1)	776	(3,067)	(125.3%)
Intangible assets (1)	1,562	114	1270.2%
Other Long Term Assets(1)	8,756	10,375	(15.6%)
Cash & Cash Equivalents(1)	9,082	2,418	275.6%
Net Assets(1)	23,796	17,235	38.1%
Basic earnings per share(1)	0.14p	(0.66p)	(121.21%)
Diluted earnings per share (1)	0.13p	(0.66p)	(119.7%)

(1) As stated in the financial statements

(2) Year ended 31 December 2013

(3) 14 month period ended 31 December 2013

Operating profit in 2013 primarily reflects proceeds from the sale of gTLD assets (Other Long Term Assets) via the private auction process. In 2014 we expect revenue to increase from further participation in private auctions, the sale of domain names via our registry and registrar businesses, and revenue from our Registry Service Provider business line.

Intangible assets also increased in 2013 as a result of amounts paid to secure gTLD assets. Intangible assets are expected to increase in 2014 as additional gTLDs are secured and contracts are signed with ICANN (transfer from Other Long Term Assets). Other long term assets represent applications fees paid to ICANN and Letter of Credit instruments required for each application. Other long terms assets decreased in 2013 and will continue to do so as amounts are transferred to Intangible Assets.

Cash & Cash equivalents have increased as a result of private auction proceeds received from participation in 3 private auctions as well as an equity raise of £6.7 million in June 2013. Post balance sheet we raised another £21 million in equity, which will be used to secure and market our gTLD assets.

Strategic Report

To the members of Minds + Machines Group Limited

Cautionary statement

This Strategic Report has been prepared solely to provide additional information to shareholders to assess the company's strategies and the potential for those strategies to succeed.

This Strategic Report Contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

This Strategic Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters, which are significant to MMX and its subsidiary undertakings when viewed as a whole.

Review of the Group's Business

The Business Model

The Minds + Machines Group Limited is a full-service consulting and registry services company that provides a complete registry solution for new gTLD applicants.

The Group participated in the gTLD application programme and currently has an interest in 30 uncontested generic Top Level Domain applications (of which five are third party client applicants). The Group is interested in applications for a further contested 43 gTLDs (of which 8 are for partners/third party client applicants). The Group is the fourth largest applicant in the World after Donuts Inc., Google Inc., and Amazon Inc. for gTLDs (excluding third party clients). In addition, the Minds + Machines Group is the Registry Service Provider for the .london gTLD and the Registry Operator for the potentially valuable geographic gTLDs of Miami, Bavaria, Budapest and NRW (North-Rhine Westphalia, the most populous state in Germany).

In addition to winning the business of regional governmental organisations, the Minds + Machines Group is Registry Service Provider for the applications of Bradesco, the second largest private bank in Brazil; the Republican Party in the US; Tucows, the world's third largest registrar; and The International Rugby Board – along with other client applications. The Company has also passed the initial evaluation process for all its gTLD applications and Minds + Machines Group's technical platform has passed all of ICANN's pre-delegation testing to date.

The Group has 3 service lines; registry, registrar, and registry service provider.

Registry Business

The Minds + Machines Group initially submitted 92 applications, 69 on its own behalf, three (3) as joint ventures and 20 on behalf of third party clients. The Minds + Machines Group currently has an interest in 30 uncontested applications, all of which passed ICANN's initial evaluation process, five (5) of which are applications by third party clients. In respect of these uncontested applications, the Minds + Machines Group has to date entered into Registry Agreements with ICANN for seventeen (17), fifteen (15) of which have officially passed pre-delegation testing.

To date, the Minds + Machines Group has withdrawn nineteen (19) applications (five (5) on behalf of clients) as a result of a private transaction with a competing applicant, not winning a private auction or following consultation with relevant government officials or the ICANN community generally.

The Minds + Machines Group has an interest in another 43 applications for which there are still competing applicants.

Registrar Business

In November 2013 the Minds + Machines Group launched its wholly-owned ICANN-accredited registrar.

This is the first consumer-focused initiative undertaken by the Minds + Machines Group, allowing retail consumers to purchase second level domain names (SLD).

Registry Service Provider

The Minds + Machines Group provides a complete suite of RSP solutions for new gTLD applicants through its proprietary registry platform, Espresso, and dedicated RSP operational teams. The Minds + Machines Group's RSP technical and other operations are located in Dublin, Ireland and London, England, and are fully ICANN compliant, having passed ICANN's technical pre-delegation testing in relation to the new gTLDs that have been assessed as at the date of this Financial Report.

Registry Revenues

The Minds + Machines Group will generate revenue through the wholesaling of its second level domain names to Registrars for sale to consumers. The Company expects that the average price of a second level domain name in

one of its wholly-owned or joint venture new gTLDs will be approximately US$20. As required by ICANN, a Registry must wholesale second level domain names to its ICANN-accredited Registrars, including any corporately related Registrars, on the same pricing and other terms and conditions.

Pricing for each second level domain name is based on the Group's determination of whether it is a geographical gTLD, a defined and restricted market (e.g. .abogado), a niche market (e.g. .horse), or a defined market (e.g. .cooking). Pricing is further adjusted by other factors such as the pricing of other SLDs in other new gTLDs that end users are likely to view as being comparable (e.g., .site vs. .web vs. .website), or pricing to match the targeted market of the gTLD (for instance .luxe focuses on the luxury market which demands premium prices). Premium prices are also charged for high-value SLDs that are expected to generate more Internet traffic.

The Group is entitled to a share of the wholesale revenues for its geographic gTLDs and retains all the wholesale revenue for its non-geographic wholly-owned gTLD applications.

Registry Services Provider Revenues

The Minds + Machines Group provides RSP services to its external new gTLD clients as well as for its own new gTLDs. Minds + Machines Group's RSP clients typically pay the greater of a minimum annual fee and/or a per domain name fee for standard registrations, an additional fee for premium names, as well as per domain name and DNS/DNSSEC fees.

Registrar Revenues

The Minds + Machines Group will also earn revenues through direct retail sales made by its wholly-owned Registrar subsidiaries to the public. In due course, the Company plans to expand its Registrar service offerings to include value added services, such as e-commerce enablement tools, webhosting and email.

Future developments, strategy and objectives

Please see the Executive Statements

Key performance indicators

Given the nature of the business and that the Group is in a development phase of operations, the Directors are of the opinion that analysis using KPIs is not appropriate for an understanding of the development, performance or position of our business at this time.

Principal risks and uncertainties

There are a number of potential risks and uncertainties, which could have a material impact on the Group's long-term performance and could cause actual results to differ materially from expected and historical results. The Group's risk management policies and procedures are also discussed in the Corporate Governance Statement.

The new gTLD launch is vulnerable to delays or amendment

The regulation of the Internet and therefore the timing and conditions attaching to the delegation and launch of the new gTLDs is delegated to the Internet Corporation for Assigned Names and Numbers, a non-profit private organisation that was created to oversee a number of Internet-related tasks previously performed directly on behalf of the US government. ICANN's decision making is determined in a consensual manner which provides different commercial and technical interest groups, as well as government representatives through the Government Advisory Council, the opportunity to seek to amend or delay the roll-out of new gTLDs. There can be no guarantee therefore that unforeseen objections raised by one or more interest groups will not result in either ICANN amending further the current draft contractual framework for the new gTLDs or delaying the delegation and commercial launch by gTLD applicants of the new gTLDs. In such circumstances the commercial interests of the Group may be adversely affected and some or all gTLD applications or supporting technical services by registry operators may be either uneconomic or impractical. Furthermore the launch of new gTLDs may be delayed for an indeterminate time until the ICANN community resolves any such disputes in a way than enables the gTLD programme to be implemented. Any such delay is likely to adversely affect the timing of the Company's revenues.

The Group spends considerable time participating in ICANN's process and in other groups that influence and shape the gTLD program to help ensyre its continued progression towards rolling out new gTLDs.

Requirement to finalise documentation in respect of gTLDs prior to formal launch

The Group has executed binding agreements with a number of clients and partners, including for example the relevant Government counter-party for each of .London, .NRW and .Bayern, setting out the terms of the registry services to be provided by the Company, and the revenue share entitlements of the respective parties as appropriate. The Group has entered into a number of further agreements, heads of terms or other memoranda of understanding with a number of partners and or clients which may necessitate further formal documentation prior to formal launch of the relevant gTLD and delegation into the Root Zone. If for any reason the parties cannot conclude any such further binding agreements required in due course, the Group's proposed launch of these further gTLDs could be adversely affected.

The Group spends considerable resources in ensuring the satisfactory conclusion of such matters.

The market for gTLDs is uncertain and the Group may fail to attract sufficient new customers

The level of demand for new second level domain names for those gTLDs in respect of which the Group either provides registry services or has an economic interest as the gTLD applicant may be less than expected or the new gTLDs may not generate the levels of second level domain name sales anticipated by the Board in which case the Group's revenues and profitability may be adversely affected.

The Group closely monitors the industry to judge the level of interest and potential revenue and acts accordingly to ensure that it retains sufficient capital to operate.

The Group's depends on technology and advanced information systems, which may fail or be subject to disruption

As a registry, the Group is dependent on the performance of its Espresso software registry system and underlying databases, together with its back-up systems and disaster recovery plans, to ensure that critical registry functions are available to end users, registrars and other parties that must have access to those functions in the event any circumstance arises that materially impacts the operation of the primary registry system. The integrity, reliability and operational performance of the Group's IT systems are therefore critical to the Group's operations. The Group's IT systems may be damaged or interrupted by increases in usage, human error, unauthorised access, natural hazards or disasters or similarly disruptive events. Furthermore, Group's current systems may be unable to support a significant increase in online traffic or increased customer numbers, whether as a result of organic or inorganic growth of the business. Any failure of the Group's IT infrastructure or the telecommunications and/or other third party infrastructure on which such infrastructure relies could lead to significant costs and disruptions that could reduce revenue, harm the Company's business reputation and have a material adverse effect on the operations, financial performance and prospects of the Group. The Group has in place business continuity procedures, disaster recovery systems and security measures to protect against network or IT failure or disruption. However, those procedures and measures may not be effective to ensure that the Group is able to carry on its business in the ordinary course if they fail or are disrupted, and they may not ensure the Group can anticipate, prevent or mitigate a material adverse effect on the Group's operations, financial performance and prospects resulting from such failure or disruption. In addition, the Group's controls may not be effective in detecting any intrusion or other security breaches, or safeguarding against sabotage, hackers, viruses and cybercrime.

The Group has spent and continues to spend in ensuring that its technology and advanced information systems are performing as expected and can support growth of the business.

Dependence on key personnel

The Group has a small management team and the loss of any key individual or the inability to attract appropriate personnel could adversely impact upon the Group's future performance.

The Group offers competitive compensation package's including share options to retain and attract key personnel.

The Group depends on a number of third parties for the operation of its business

The Group relies on hardware purchased or leased from third parties suppliers in order to provide its registry, registrar and RSP services which, if faulty and thereby causes errors or a service failure, could adversely affect the Group's operating results or harm its reputation. Furthermore, the Group has key contractual relationships with a number of third parties including suppliers, partners, banks and payment processors. In particular, the Group relies on key suppliers in order to carry on its operations including, but not limited to, DNS services, co-location facilities, DDoS migration services, security vulnerability assessment services, site and data escrow. The failure of one or more of these third parties may have an adverse impact on the financial and operational performance of the Group. Similarly, the failure of one or more of these third parties to fulfill its obligations to the Group for any other reason may also cause significant disruption and have a material adverse effect on its operations, financial performance and prospects.

The Group puts in place contracts with certain key clients to ensure continued business relationships. The Group also meets with individual management from our strategic partners periodically throughout the year to ensure the continued alignment of business goals and objectives.

Going concern basis

The Group's forecasts and projections, taking account of the gTLD program being managed by ICANN (see Chairman's statement), show that the Group should be able to operate within the level of its current funding. At the year end, the Group had £9.1 million held as cash and cash equivalents (excluding letters of credits required by ICANN) and subsequently raised £21 million by way of share issue after the year end.

The Group will use these resources to both fund operations and secure gTLD assets. In addition, the Group has secured $15M funding for the auction of a single, contested gTLD string.

The directors have a reasonable expectation that the Company and the Group have adequate resources to continue operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Approval

This report was approved by the board of directors on 9 June 2014 and signed on its behalf by:

Anthony Van Couvering

Chief Executive Officer

Date: 9 June 2014

Directors' Report

The directors present their annual report on the affairs of the group, together with the financial statements and auditor's report, for the year ended 31 December 2013. The Corporate Governance Statement set out on pages 13 to 15 forms part of this report.

Details of significant events since the balance sheet date are contained in note 28 to the financial statements. An indication of likely future developments in the business of the company and details of research and development activities are included in the Strategic Report.

Information about the use of financial instruments by the company and its subsidiaries is given in note 23 to the financial statements.

Dividends

The Directors do not recommend payment of a dividend (2012: nil).

Capital Structure

Details of the issued share capital, together with details of the movement in the company's issued share capital during the year are shown in note 21. The company has one class of ordinary shares, which carry no right to fixed income. Each share carries the right to one vote at general meetings of the company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The directors are not aware of any agreement between holders of the company's shares that may result in restrictions on the transfer of securities or on voting rights.

Details of employee share schemes are set out in note 22.

No person has any special rights of control over the company's share capital.

With regard to the appointment and replacement of directors, the company is governed by its Articles of Association, the BVI Companies Act and related legislation.

Directors

The Directors who served during the period are set out below:

Director	Date of Appointment	Date of Resignation
Executive Directors		
Frederick Krueger (Chairman)		
Antony Van Couvering (CEO)		
Michael Salazar (CFO)		
Caspar Veltheim		
Non-Executive Directors		
Guy Elliot		4 March 2014
Keith Teare	13 February 2013	
Michael Mendelson		6 February 2013
Elliot Noss	4 March 2014	

Directors' Remuneration

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes it upholds the objectives of the Company with regard to this issue. Details of the Director emoluments and payments made for professional services rendered are set out in Note 5 to the financial statements.

Directors' Interests

The total beneficial interests of the serving Directors in the shares and options of the Company during the period to 31 December 2013 were as follows:

Director	31 December 2013 Shares	Options*	31 December 2012 Shares	Options*
Frederick Krueger	128,331,604	10,000,000	106,957,840	5,000,000
Antony Van Couvering	160,375	22,126,347	15,000	9,626,347
Michael Salazar	910,375	1,250,000	-	1,250,000
Caspar Veltheim	504,613	662,500	349,500	662,500
Guy Elliott	35,186,350	3,000,000	30,686,350	3,000,000
Keith Teare	-	300,000	-	-
Michael Mendelson	N/A	N/A	1,300,000	1,700,000
Elliott Noss	-	-	-	-

* The option details have been fully disclosed in Note 22 to the financial statements.

Directors' Indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report.

Corporate Governance

A statement on Corporate Governance is set out on pages 13 to 15.

Environmental Responsibility

The Company is aware of the potential impact that it and its subsidiary companies may have on the environment. The Company ensures that it, and its subsidiaries at a minimum comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Employment Policies

The Group is committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective the Group will provide training and support to employees and set demanding standards for workplace safety.

Annual General Meeting ("AGM")

This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report

Statement of disclosure of information to auditors

As at the date of this report the serving directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

Auditors

Mazars LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Statement of Directors' Responsibilities

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

The directors are required to prepare financial statements for each financial year. The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether IFRS has been followed, subject to any material departures disclosed and explained in the financial statements;
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, and other events and conditions on the Group and Company's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Electronic communication

The maintenance and integrity of the Company's website is the responsibility of the directors. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Company's website is maintained in accordance with AIM Rule 26. Legislation in the British Virgin Islands governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

By order of Board:

Antony Van Couvering
Chief Executive Officer
Date: 9 June 2014

Corporate Governance Statement

The Board is committed to maintaining high standards of corporate governance. Whilst the company is not required to adopt the UK Corporate Governance Code, the Company's corporate governance procedures take due regard of the principles of Good Governance set out in the 2012 UK Corporate Governance Code in relation to the size and the stage of development of the Company.

Board of Directors

The Board of Directors currently comprises four Executive Directors one of whom is the Chairman and two Non-Executive Directors. The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the Combined Code have been implemented to an appropriate level. The Board, through the Chairman and the CEO in particular, maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

Board Meetings

The Board meets regularly throughout the year. For the year ended 31 December 2013 the Board met nine times in relation to normal operational matters. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of the Company's solicitors and other professional advisers, as necessary, and information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively. All Directors have access to independent professional advice, at the Company's expense, as and when required.

Board Committees

The Board has established the following committees, each which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting (including accounting policies) and internal financial controls. The Audit Committee comprises one Executive Director and one Non-Executive Director, Frederick Krueger (Chairman of the Audit Committee) and Keith Teare. The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on Directors' and senior executives' remuneration. It comprises one Executive Director and two Non-Executive Directors, Frederick Krueger (Chairman of the Remuneration Committee), Keith Teare and Elliot Noss. Non-Executive Directors' remuneration and conditions are considered and agreed by the Board. Financial packages for Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognised job qualifications and skills. The Committee will also have regard to the terms, which may be required to attract an equivalent experienced executive to join the Board from another company.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to forecasts. Project milestones and timelines are regularly reviewed.

Risks and uncertainties

The principal risks facing the Company are set out below. Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system.

Business risk

- The new gTLD launch in venerable to delays or amendment;
- The market for gTLDs in uncertain and the Group may fail to attach significant new customers;
- The Group depends on technology and advanced information systems, which may fail or be subject to disruption;
- Dependence on key personnel; and
- The Group depends on a number of third parties for the operation of its business.

General and economic risks

- Contractions in the world's major economies or increases in the rate of inflation resulting from international conditions;
- Movements in the equity and share markets in the United Kingdom and throughout the world;
- Weakness in global equity and share markets in particular, in the United Kingdom, and adverse changes in market sentiment towards the internet and technologies industry;
- Currency exchange rate fluctuations and, in particular, the relative prices of US Dollar, the Euro, and the UK Pound;
- Exposure to interest rate fluctuations; and
- Adverse changes in factors affecting the success of internet and development operations, such as increases in expenses, to delays in the development or adoption of new standards and protocols to handle increased levels of Internet activity or due to increased governmental regulation.

Funding risk

- The Group or the companies in which it has invested may not be able to raise, either by debt or further equity, sufficient funds to enable completion of planned expansion, investment and/or development projects.

Content risk

- The Company may be affected by the regulatory and legal environment relating to the content control and access. Regulation both current and future could cause additional expense and have a material impact on the Company's business, the extent of which cannot be predicted. Certain jurisdictions may attempt to make the Company responsible for the content which it facilitates or may be held responsible for content.

Intellectual property

- Monitoring and defending the Company's intellectual rights can entail substantial costs with no certainty of outcome. The Company relies on its rights in intellectual property and other rights such as confidentiality, and there is a risk of their infringement, which may have a material adverse effect on the Company's business, operation and/or financial condition. The Company's ability to ensure adequate protection for its intellectual property rights may be limited and it is possible that the Company's competitors may independently develop similar technology, which could encroach upon the Company's operations.

- The Company may also become subject to claims from third parties for infringement of their intellectual property rights. Such claims (meritorious or otherwise) may be costly and time consuming, and if any action against the Company is successful it may result in the Company being required to cease certain activities, alter its technology, or enter into royalty or licensing agreements, which may or may not be available on terms acceptable to the Company

Market risk

- The ability of the Group (and the companies it invests in) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

Key personnel

- The ability of the Group to retain key personnel.

Treasury Policy

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group. The Board approves decisions regarding the management of these assets. Refer Note 23.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Director, senior management and any employee who is in possession of inside information. All such persons are prohibited from trading in the Company's securities if they are in possession of inside information. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.

Independent Auditor's Report to the Members of Minds + Machines Group Limited

We have audited the financial statements of Minds + Machines Group Limited for the year ended 31 December 2013 which comprise the Group and Company Statements of Comprehensive Income, Group and Company Statements of Financial Position, Group and Company Statements of Cash Flows, the Group and Company Statements of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members, as a body. 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.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's and the parent company's profit for the year then ended; and
- the financial statements have been properly prepared in accordance with IFRSs.

Mazars LLP

Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 9 June 2014

Group Statement of Comprehensive Income
for the year ended 31 December 2013

	Notes	**Year Ended 31 December 2013 £ 000's**	Period Ended 31 December 2012 £ 000's
Revenue	2	**36**	420
Amortisation & depreciation (charge) / credit	11, 13	**(20)**	198
Administrative expenses		**(2,877)**	(2,633)
Foreign exchange gain / (loss)		**213**	(328)
Impairment of available for sale investments	16	**-**	(253)
Impairment of goodwill	11	**-**	(57)
Profit on gTLD auctions	17	**4,120**	-
Loss on withdrawal of gTLD applications	17	**(253)**	-
Share options expensed	22	**(443)**	(414)
Group operating profit / (loss)	3	**776**	(3,067)
Finance revenue	6	**12**	6
Finance costs	7	**(15)**	-
Share of results of joint venture	15	**(44)**	1
Profit / (loss) before taxation		**729**	(3,060)
Income tax expense	8	**-**	(1)
Retained profit / (loss) for the period		**729**	(3,061)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		**(764)**	(25)
Other comprehensive income for the period net of taxation		**(764)**	(25)
Total comprehensive income for the period		**(35)**	(3,086)
Retained loss for the period attributable to:			
Equity holders of the parent		**798**	(3,021)
Non-controlling interests		**(69)**	(40)
		729	(3,061)
Total comprehensive income for the period attributable to:			
Equity holders of the parent		**35**	(3,046)
Non-controlling interests		**(70)**	(40)
		(35)	(3,086)
Earnings / (loss) per share (pence)			
Basic	10	**0.14**	(0.66)
Diluted	10	**0.13**	(0.66)

All operations are considered to be continuing

The notes set out on pages 25 to 60 form an integral part of these financial statements.

Company Statement of Comprehensive Income
for the year ended 31 December 2013

	Notes	Year Ended 31 December 2013 £ 000's	Period Ended 31 December 2012 £ 000's
Revenue		-	3
Administrative expenses		(510)	(1,057)
Foreign exchange gain / (loss)		73	(365)
Impairment of available for sale investments	16	-	(253)
Profit on gTLD auctions	17	4,120	-
Loss on withdrawal of gTLD applications	17	(253)	-
Share options expensed	22	(443)	(414)
Operating profit / (loss)	3	2,987	(2,086)
Finance revenue	6	12	6
Gain on sale of interest in subsidiaries		-	(9)
Impairment of amounts receivable from subsidiaries	18	-	(1,472)
Impairment of investment in subsidiaries	14	-	(116)
Profit / (loss) before taxation		2,999	(3,677)
Income tax expense	8	-	(5)
Retained profit / (loss) for the period		2,999	(3,682)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		(919)	(3)
Other comprehensive income for the period net taxation		(919)	(3)
Total comprehensive income for the period		2,080	(3,685)

All operations are considered to be continuing

The notes set out on pages 25 to 60 form an integral part of these financial statements.

Group Statement of Financial Position
as at 31 December 2013

	Note	**31 December 2013 £ 000's**	31 December 2012 £ 000's
ASSETS			
Non-current assets			
Goodwill	11	**1,820**	1,820
Intangible assets	12	**1,562**	114
Tangible assets	13	**507**	34
Interest in joint ventures	15	**514**	433
Available for sale investments	16	**-**	-
Other long term assets	17	**8,756**	10,375
Total non-current assets		**13,158**	12,776
Current assets			
Trade and other receivables	18	**2,504**	2,320
Cash and cash equivalents		**9,082**	2,418
Total current assets		**11,586**	4,738
TOTAL ASSETS		**24,744**	17,514
LIABILITIES			
Current liabilities			
Trade and other payables	19	**(418)**	(279)
Obligations under finance lease	20	**(200)**	-
Total current liabilities		**(618)**	(279)
Non-current liabilities			
Obligations under finance lease	20	**(151)**	-
Total non-current liabilities		**(151)**	-
TOTAL LIABILITIES		**(769)**	(279)
NET ASSETS		**23,976**	17,235
EQUITY			
Share capital		**-**	-
Share premium		**30,983**	23,311
Shares to be issued		**-**	1,339
Foreign exchange reserve		**(692)**	71
Retained earnings		**(6,221)**	(7,462)
		24,070	17,259
Non-controlling interests		**(94)**	(24)
TOTAL EQUITY		**23,976**	17,235

The notes set out on pages 25 to 60 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 9 June 2014 and signed on its behalf by:

Antony Van Couvering
Director

Michael Salazar
Director

Company Statement of Financial Position
as at 31 December 2013

	Note	**31 December 2013**	31 December 2012
		£ 000's	£ 000's
ASSETS			
Non-current assets			
Intangible assets	12	**1,414**	79
Investment in subsidiaries	14	**2,166**	2,194
Available for sale investments	16	**-**	-
Interest in joint ventures	15	**556**	434
Other long term assets	17	**8,756**	10,375
Trade and other receivables	18	**-**	3,003
Total non-current assets		**12,892**	16,085
Current assets			
Trade and other receivables	18	**8,661**	2,086
Cash and cash equivalents		**7,496**	2,180
Total current assets		**16,157**	4,266
TOTAL ASSETS		**29,049**	20,351
LIABILITIES			
Current liabilities			
Trade and other payables	19	**(97)**	(257)
TOTAL LIABILITIES		**(97)**	(257)
NET ASSETS		**28,950**	20,094
EQUITY			
Share capital		**-**	-
Share premium		**30,983**	23,311
Shares to be issued		**-**	1,339
Foreign exchange reserve		**(872)**	47
Retained earnings		**(1,161)**	(4,603)
TOTAL EQUITY		**28,950**	20,094

The notes set out on pages 25 to 60 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 9 June 2014 and signed on its behalf by:

Antony Van Couvering
Director

Michael Salazar
Director

Group Cash Flow Statement
for the year ended 31 December 2013

	Note	**Year ended 31 December 2013**	Period ended 31 December 2012
		£ 000's	£ 000's
Cash flows from operating activities			
Operating profit / (loss)		**776**	(3,067)
Decrease / (Increase) in trade and other receivables including long term receivables		**1,041**	(10,400)
Increase in trade and other payables		**139**	194
Depreciation & amortisation charge / (credit)		**20**	(198)
Income tax expense	8	**-**	(1)
Profit on gTLD auctions		**(4,120)**	-
Loss on withdrawal of gTLD applications		**253**	-
Impairment loss on trade receivables	18	**-**	(34)
Impairment of available for sale investments	16	**-**	253
Impairment of goodwill	11	**-**	57
Share options expensed	22	**443**	414
Foreign exchange gain		**(1,054)**	(62)
Net cash flow used in operating operating activities		**(2,502)**	(12,776)
Cash flows from investing activities			
Interest received	6	**12**	6
Amounts transferred to restricted cash		**156**	(2,169)
Payments to acquire intangible assets	12	**(1,440)**	(68)
Payments to acquire property, plant & equipment	13	**(57)**	(9)
Amounts received in gTLD auctions		**4,427**	-
Investment in interest in joint ventures		**(136)**	(434)
Receipts from disposal of interest in subsidiary		**-**	9
Net cash flow from / (used in) investing activities		**2,962**	(2,665)
Cash flows from financing activities			
Repayments of obligations under finance lease	20	**(99)**	-
Issue of ordinary shares	21	**6,697**	10,952
Share issue costs	21	**(365)**	(161)
Net cash flow from financing activities		**6,233**	10,791
Net increase/(decrease) in cash and cash equivalents		**6,693**	(4,650)
Cash and cash equivalents at beginning of period		**2,418**	7,074
Exchange loss on cash and cash equivalents		**(29)**	(6)
Cash and cash equivalents at end of period		**9,082**	2,418

The notes set out on pages 25 to 60 form an integral part of these financial statements.

Company Cash Flow Statement
for the year ended 31 December 2013

	Note	**Year ended 31 December 2013**	Period ended 31 December 2012
		£ 000's	£ 000's
Cash flows from operating activities			
Operating profit/(loss)		**2,987**	(2,086)
Increase in trade and other receivables including long term receivables		**(2,563)**	(11,432)
(Decrease)/increase in trade and other payables		**(159)**	189
Impairment of available for sale investments	16	**-**	253
Profit on gTLD auctions		**(4,120)**	-
Loss on withdrawal of gTLD applications		**253**	-
Share options expensed	22	**443**	414
Income tax expense	8	**-**	(5)
Foreign exchange gain/loss		**(966)**	282
Impairment loss on trade receivables		**-**	3
Net cash flow used in operating activities		**(4,125)**	(12,382)
Cash flows from investing activities			
Interest received	6	**12**	6
Amounts transferred to restricted cash		**156**	(2,169)
Payments to acquire intangible assets	12	**(1,323)**	(34)
Amounts received in gTLD auctions		**4,427**	-
Acquisition of investment in joint venture		**(136)**	(434)
Net cash flow from / (used in) investing activities		**3,136**	(2,631)
Acquisitions and disposals			
Receipts from disposal of interest in subsidiary		**-**	9
Payment to acquire interest subsidiaries	14	**-**	(273)
Net cash flow from acquisitions and disposals			(264)
Cash flows from financing activities			
Issue of ordinary shares	21	**6,697**	10,952
Share issue costs	21	**(365)**	(161)
Net cash flow from financing activities		**6,332**	10,791
Net increase/(decrease) in cash and cash equivalents		**5,343**	(4,486)
Cash and cash equivalents at beginning of period		**2,180**	6,672
Exchange loss on cash and cash equivalents		**(27)**	(6)
Cash and cash equivalents at end of period		**7,496**	**2,180**

The notes set out on pages 25 to 60 form an integral part of these financial statements.

Group Statement of Changes in Equity
for the year ended 31 December 2013

Group	Called up share capital £ 000's	Share premium reserve £ 000's	Shares to be issued £ 000's	Foreign currency translation reserve £ 000's	Retained earnings £ 000's	Total £ 000's	Non-control interest £ 000's	Restated Total equity £ 000's
As at 1 November 2011	**-**	**12,520**	**1,339**	**96**	**(4,839)**	**9,116**	**-**	**9,116**
Loss for the period	-	-	-	-	(3,021)	(3,021)	(40)	(3,061)
Currency translation differences	-	-	-	(25)	-	(25)	-	(25)
Total comprehensive income	**-**	**-**	**-**	**(25)**	**(3,021)**	**(3,046)**	**(40)**	**(3,086)**
Share capital issued	-	9,044	-	-	-	9,044	-	9,044
Share options & warrants exercised	-	1,908	-	-	-	1,908	-	1,908
Cost of share issue	-	(161)	-	-	-	(161)	-	(161)
Share based payments	-	-	-	-	414	414	-	414
Non-controlling interest arising on business combination	-	-	-	-	(16)	(16)	16	-
As at 31 December 2012	**-**	**23,311**	**1,339**	**71**	**(7,462)**	**17,259**	**(24)**	**17,235**
Profit for the year	-	-	-	-	798	798	(69)	729
Currency translation differences	-	-	-	(763)	-	(763)	(1)	(764)
Total comprehensive income	**-**	**-**	**-**	**(763)**	**798**	**35**	**(70)**	**(35)**
Shares to be issued	-	1,339	(1,339)	-	-	-	-	-
Share capital issued	-	6,623	-	-	-	6,623	-	6,623
Share options & warrants exercised	-	75	-	-	-	75	-	75
Cost of share issue	-	(365)	-	-	-	(365)	-	(365)
Share based payments	-	-	-	-	443	443	-	443
As at 31 December 2013	**-**	**30,983**	**-**	**(692)**	**(6,221)**	**24,070**	**(94)**	**23,976**

The notes set out on pages 25 to 60 form an integral part of these financial statements.

Company Statement of Changes in Equity
for the year ended 31 December 2013

Company	Called up share capital £ 000's	Share premium reserve £ 000's	Shares to be issued £ 000's	Foreign currency translation reserve £ 000's	Retained earnings £ 000's	Total £ 000's
As at 1 November 2011	**-**	**12,520**	**1,339**	**50**	**(1,335)**	**12,574**
Loss for the period	-	-	-	-	(3,682)	(3,682)
Currency translation differences	-	-	-	(3)	-	(3)
Total comprehensive income	**-**	**-**	**-**	**(3)**	**(3,382)**	**(3,385)**
Share capital issued	-	9,044	-	-	-	9,044
Share options & warrants exercised	-	1,908	-	-	-	1,908
Cost of share issue	-	(161)	-	-	-	(161)
Share based payments	-	-	-	-	414	414
As at 31 December 2012	**-**	**23,311**	**1,339**	**47**	**(4,603)**	**20,094**
Profit for the year	-	-	-	-	2,999	2,999
Currency translation differences	-	-	-	(919)	-	(919)
Total comprehensive income	**-**	**-**	**-**	**(919)**	**2,999**	**2,080**
Shares to be issued	-	1,339	(1,339)	-	-	-
Share capital issued	-	6,623	-	-	-	6,623
Share options & warrants exercised	-	75	-	-	-	75
Cost of share issue	-	(365)	-	-	-	(365)
Share based payments	-	-	-	-	443	443
As at 31 December 2013	**-**	**30,983**	**-**	**(872)**	**(1,161)**	**28,950**

The notes set out on pages 25 to 60 form an integral part of these financial statements.

Notes to Financial Statements
for the year ended 31 December 2013

1 Summary of Significant Accounting Policies

(a) General information

Minds + Machines Group Limited is a company is registered in the British Virgin Islands under the BVI Business Companies Act 2004 with registered number 1412814. The Company's ordinary shares are traded on the AIM market operated by the London Stock Exchange. The nature of the group's operations and its principal activities are set out in note 2 and in the Strategic Report on page 6.

These financial statements are presented in pounds sterling because that is the currency of the economic environment in which the group operates. Foreign operations are included in accordance with the policies set out in note 1k.

(b) Statement of compliance with IFRS

The Group's and Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Adoption of new and revised standards

In the current year, the following new and revised Standards and Interpretations have been adopted.

Amendments to IFRS 7 disclosures	The Group as applied the amendments to IFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities. As the Group does not have any offsetting arrangements in place, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the consolidated financial statements
New and revised Standards on consolidation, joint arrangements, associates and disclosure	In May 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued comprising IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interest in Other Entities, IAS 27 (as revised in 2011) Separate Financial Statements and IAS 28 (As revised in 2011) Investments in Associates and Joint Ventures. Subsequent to the issue of these standards, amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the first-time application of the standards. In the current year, the Group has applied for the first time IFRS 10, IFRS 11, IFRS 12 and IAS 28 (as revised in 2011) together with the amendments to IFRS 10, IFRS 11 and IFRS 12 regarding the transitional guidance. IAS 27 (as revised in 2011) has also been applied and it deals only with separate financial statements. The impact of the application of these standards is set out below.
IFRS 10	IFRS 10 Consolidated Financial Statements replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and Special Purpose Entities. IFRS 10 changes the definition of control. The change in the definition of control has not results in any change relating to the treatment of subsidiaries and joint ventures. The application of IFRS 10 has therefore had no impact on the consolidated financial statements.
IFRS 11	IFRS 11 Joint Arrangements outlines the accounting by entities that jointly control an arrangement by determining the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement. All joint arrangements that the Company is involved in have been assessed as Joint Ventures and continue to be accounted for using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures. The application of IFRS 11 has therefore had no impact on the consolidated financial statements.
IFRS 12	IFRS 12 Disclosure of Interest in Other Entities is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The application of IFRS 12 has only resulted in presentational changes.

IFRS 13	IFRS 13 Fair Value Measurement has been applied to the Group for the first time in the current year. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The requirements of IFRS 13 apply to both financial instruments and non-financial instruments, except of share based payment transactions that are within the scope of IFRS 2 Share-based Payments and leases that are within the scope of IAS 17 Leases. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current conditions. Fair value under IFTS 14 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. IFRS 13 also includes extensive disclosure requirements. IFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by IFRS 2013 for the comparative period. Other than additional disclosures, the application of IFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.
Amendments to IAS 1 Presentation of Financial Statements (as part of the Annual improvements to IFRSs 2009-2011 Cycle issued in May 2012)	The Annual Improvements to IFRSs 2009-2011 have made a number of amendments to IFRSs. The amendments that are relevant to the Group are the amendments to IAS 1 regarding when a statement of financial position as at the beginning of the preceding period (third statement of financial position) and the related notes are required to be presented. The amendments specify that a third statement of financial position is required when a) an entity applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position. The amendments specify that related notes are not required to accompany the third statement of financial position. In the current year there have been no instances that have required a statement of financial position to be presented as at 1 November 2011.

There have been no material changes to the accounting policies as a result of adopting the above standards.

Future changes in accounting policies

At the date of authorization of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 9	Financial Instruments (no effective date)
IFRS 10 and 12 and IAS 27 (amendments)	Investment Entities (effective for period beginning 1 January 2014)
IFRS 14	Regulatory Deferral Accounts (effective for period beginning 1 January 2016)
IFRS 15	Revenue from Contracts with Customers (effective for period beginning 1 January 2017)
IAS 36 (amendments)	Recoverable Amount Disclosed for Non-Financial Assets (effective for period beginning 1 January 2014)
IAS 39 (amendments)	Novation of Derivatives and Continuation of Hedge Accounting (effective for period beginning 1 January 2017)
IFRIC Interpretation 21	Levies (effective for period beginning 1 January 2014)

The directors do not expect that the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Group in future periods, except as that IFRS 9 will impact both the measurement and disclosure in of Financial Instruments.

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards unit a detailed review has been completed

(c) Basis of accounting

The consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at re-valued amounts or fair value at the end of each reporting period, as explained in the accounting policies.

(d) Basis of consolidation

The consolidated financial information incorporates the results of the Company and entities controlled by the Company (its subsidiaries) (the “Group") made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transitions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group’s equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests’ proportionate share of the fair value of the acquiree’s identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests’ share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to the owners of the Company.

When a Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between the aggregate of the fair value of the consideration received and the fair value of any retained interest and the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the costs on initial recognition of an investment in an associate or jointly controlled entity.

(e) Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further detail is contained in the Strategic Report on page 6.

(f) Business combinations

Acquisition of subsidiaries and business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquire. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets of liabilities and assets or liabilities related to employee benefits arrangement are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquire, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceed the sum of the consideration transferred, the amount of any non-controlling interests in the acquire and the fair value of the acquirer's previously held interest in the acquire (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes assets or liability resulting form a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospective, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as at asset or liability is re-measured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity is re-measured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

(g) Joint Ventures

The group has interests in joint ventures, which are jointly controlled entities, whereby the ventures have a contractual arrangement that establishes joint control over the economic activities of the entity. The agreement requires unanimous agreement for financial and operating decisions among ventures.

The group's interests in jointly controlled entities are accounted for by using the equity method. Under the equity method, the investment in the joint venture is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the joint venture. The income statement reflects the share of the results of operations of the joint venture. The financial statements of the joint venture are prepared for the same reporting period as the Group. Adjustments are made where necessary to bring the accounting policies in line with those of the Group.

Losses on transactions are recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss. The joint venture is accounted for using the equity method until the date on which the Group ceases to have joint control over the joint venture.

Upon loss of joint control the Group measures and recognises its remaining investment at its fair value. Any difference between the carrying amount of the former jointly controlled entity upon loss of joint control and the fair value of the remaining investment and proceeds on disposal are recognised in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in an associate.

(h) Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Leases (the group as a lessee)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(j) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. Revenue is reduced for estimated customer rebates and other similar allowances.

Rendering of services (Registry service provider ("RSP") revenue and consultancy services)

Revenue is generated by providing RSP and consultancy services over a period of time. Fees for these services are deferred and/or accrued and recognised as performance occurs.

(k) Foreign Currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling, which is the presentation currency for the consolidated financial statements. The Company's function currency is US Dollars.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences are recognised in profit and loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(l) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimates useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment loss.

(m) Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(n) Fixtures and equipment

Fixtures and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight line method, on the following basis.

- Fixtures and Equipment – over 3 to 7 years

(o) Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If and such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset which an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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

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

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

(p) Critical accounting judgements and key sources of estimation uncertainty

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

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

Critical judgements in applying the Group's accounting policies

The Group does not have any critical judgements, apart from those involving estimations (which are dealt with separately below).

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainly at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) Impairment of goodwill and intangible assets

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill and intangible assets has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Goodwill and intangible assets have not been impaired.

Details of goodwill and intangible assets are set out in note 11 and 12 respectively.

(q) Finance costs/revenue

Borrowing costs are recognised as an expense when incurred.

Finance revenue is recognised as interest accrued using the effective interest method.

(r) Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit of loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset in under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: 'available for sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimates future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instrument.

(I) Loans and other receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any Impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when recognition of interest would be material.

Loans and receivables include Cash and cash equivalents. Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(II) Available for sale Investments
Available for sale investments are non-derivatives that are either designated as available or are not classified as any other category of financial assets.

The Group has investments in unlisted shares that are not traded in an active market but are classified as available for sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is reclassified to profit or loss.

Impairment of financial asset

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For unlisted equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:
- significant financial difficultly of the issuer or counterparty; or
- default of delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankrupt or financial re-organisation.

Certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount an the present value of estimated future cash flows, discounted at the financial asset's original effective rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit and loss.

When an available for sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of available for sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available for sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available for sale debt securities, impairment losses are subsequent reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

De-recognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On de-recognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognised on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative fain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received net of direct issue costs.

Financial liabilities

Financial liabilities are classified as other financial liabilities.

(I) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised costs using the effective interest method, with interest expense recognised on a effective yield basis.

The effective interest method of calculating the amortised costs of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

(s) Taxation

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

Current tax

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

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the tax computations, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary

differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case it is also dealt with in equity.

Current and deferred tax for the year

Current and deferred tax are recognised in profit of loss, expect when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised on other comprehensive income or directly inequity respectively.

(t) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimates to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(u) Share-based payment transactions

Equity-settled share-based payments to employees are measured at the fair value of the equity instrument at the grant date. The fair value excludes the effect of non market-based vesting conditions. The fair value is determined by using the Black-Scholes model. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 22

The fair value determined at the grant date of the equity-settled shared-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non market-based vesting conditions. The impact or the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 10).

(v) Investment in subsidiary undertakings

In the parent company financial statements, fixed asset investment in subsidiaries and joint ventures are shown at cost less provision for impairment.

2 Operating segments – Group

Information reported to the Group's management and internal reporting structure (including the Group's Chief Executive Officer) for the purpose of resources allocation and assessment of segment performance is focused on the category for each type of activity. The principal categories (and the Group's segments under IFRS 8) are:

- Registry ownership (segment A) – applicant of top level domain name from ICANN and wholesaler of domain names of those top level domain names
- Registry service provider (RSP) and consulting services (segment B) – back end service provider for a registry
- Registrar (segment C) – retailer of domain names

2 Operating segments – Group (continued)

Segment revenues and results

2013	**Segment A £ 000's**	**Segment B £ 000's**	**Segment C £ 000’s**	**Elimination £ 000's**	**Total £ 000's**
Revenue					
External sales	-	36	-	-	36
Total Revenue	-	36	-	-	36
Operating profit / (loss)	2,982	(2,164)	(3)	(39)	776
Finance revenue					12
Finance costs					(15)
Share of loss of joint venture					(44)
Profit before tax					729
Tax					-
Profit after tax					729

2012	**Segment A £ 000's**	**Segment B £ 000's**	**Segment C £ 000’s**	**Elimination £ 000's**	**Total £ 000's**
Revenue					
External sales	-	420	-	-	420
Total Revenue	-	420	-	-	420
Operating loss	(2,222)	(1,360)	-	515	(3,067)
Finance revenue					6
Finance costs					-
Share of loss of joint venture					1
Loss before tax					(3,060)
Tax					(1)
Loss after tax					(3,061)

The accounting policies of the reportable segments are the same as the group accounting policies described in Note 1. Segment results represent results earned by each segment without allocation of centralised costs and income tax expenses. This is the measure reported to the Group’s Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

2 Operating segments – Group (continued)

Other segment information

	Segment assets		Depreciation and amortisation	
	2013	**2012**	**2013**	**2012**
	£ 000's	**£ 000's**	**£ 000's**	**£ 000's**
Segment A	19,759	14,689	-	-
Segment B	4,211	2,291	20	14
Segment C	260	-	-	-
Other	514	534	-	-
Total	24,744	17,514	20	14

For the purpose of monitoring segment performance and allocating resources between segments, the Group's Chief Executive Officer monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of interest in joint ventures. Goodwill has been allocated to reportable segments as described in note 11.

No impairment losses were recognised in the current year. In 2012, a £310k impairment loss was recognised in respect of available for sale investments and goodwill and arise from Segment A.

Geographical information

The Group's information about its segment assets (non-current assets excluding financial instruments) by geographic location are detailed below.

	Non-current assets	
	2013	**2012**
	£ 000's	**£ 000's**
British Virgin Islands	3,895	2,367
Ireland	318	-
United Kingdom	166	-
USA	23	34
Total	4,402	2,401

The Group's revenue from external customers arose from the United States. No single customer accounts for more than 10% of revenues.

3 Operating profit

Operating profit is arrived at after charging:	**2013 Group £ 000's**	**2013 Company £ 000's**	2012 Group £ 000's	2012 Company £ 000's
Auditors' remuneration – current year auditors				
Audit of these financial statements	25	25	24	24
Additional fees for the audit of the prior period financial statements	16	16	-	-
Audit of financial statements of subsidiaries	14	-	-	-
Other services	10	10	-	-
Directors' emoluments – fees and salaries	464	45	654	319
Directors' – share option expense	388	388	333	333
Share option expense (excluding directors' share option expense)	55	55	81	81
Depreciation	20	-	15	`
Operating lease rentals	24	-	-	-
Impairment loss on trade receivables	-	-	34	-
Foreign exchange gain / (loss)	213	73	(328)	(365)

4 Employee information – Group (excluding Directors)

	2013 £ 000's	2012 £ 000's
Staff costs comprised:		
Wages and salaries	**857**	414

Average number of employees	**Number**	Number
Administration	**6**	8
Software development	**6**	-
Administration	**12**	8

Employee information – Company (excluding Directors)

	2012 £ 000's	2012 £ 000's
Staff costs comprised:		
Wages and salaries	**-**	-

Average number of employees	**Number**	Number
Administration	**-**	-

5 Directors' emoluments

	Group		Company	
	2013	**2012**	2013	2012
	£ 000's	**£ 000's**	£ 000's	£ 000's
Directors' remuneration	464	654	45	319

	Group			Company		
2013	**Director Fees £ 000's**	**Consultancy Fees £ 000's**	**Total £ 000's**	**Directors Fees**	**Consultancy Fees £ 000's**	**Total £ 000's**
Executive Directors						
Frederick Krueger	112	-	112	-	-	-
Antony Van Couvering	112	-	112	-	-	-
Michael Salazar	124	-	124	-	-	-
Caspar Veltheim	71	-	71	-	-	-
Peter Dengate Thrush (*)	-	12	12	-	12	12
Non-Executive Directors						
Guy Elliott	18	-	18	18	-	18
Keith Teare (#)	9	-	9	9	-	9
Michael Mendelson (#)	6	-	6	6	-	6
Elliot Noss (#)	-	-	-	-	-	-
	452	12	464	33	12	45

(*): Peter Dengate Thrush resigned as a director in 2012. Amounts paid to Peter Dengate Thrush are in relation to services provided in the 2012 financial period

(#): These Directors were not employed during the full 2013 financial period or appointed after the year-end.

No pension benefits are provided for any Director.

Details of Directors share options exercised have been disclosed in note 21 to the accounts.

5 Directors emoluments (continued)

2012	Group: Director Fees £ 000's	Group: Consultancy Fees £ 000's	Group: Total £ 000's	Company: Directors Fees	Company: Consultancy Fees £ 000's	Company: Total £ 000's
Executive Directors						
Peter Dengate Thrush	126	48	174	126	48	174
Frederick Krueger	145	-	145	-	-	-
Antony Van Couvering	145	-	145	-	-	-
Michael Salazar (#)	10	14	24	-	-	-
Caspar Veltheim	21	-	21	-	-	-
David de Jongh Weill (#)	65	-	65	65	-	65
Non-Executive Directors						
Guy Elliott	40	-	40	40	-	40
Clark Landry (#)	33	-	33	33	-	33
Michael Mendelson	7	-	7	7	-	7
	592	62	654	271	48	319

(#): These Directors were not employed during the full 2012 financial period.

No pension benefits are provided for any Director.

Details of Directors share options exercised have been disclosed in note 21 to the accounts.

6 Finance revenue

	2013 Group £ 000's	**2013 Company £ 000's**	2012 Group £ 000's	2012 Company £ 000's
Bank interest	12	12	6	6

7 Finance costs

	2013 Group £ 000's	**2013 Company £ 000's**	2012 Group £ 000's	2012 Company £ 000's
Interest on obligations under finance lease	15	-	-	-

8 Income tax expense - Group

	2013 £ 000's	2012 £ 000's
Current tax	-	1
Deferred tax	-	-
	-	1

The charge for the current year can be reconciled to the loss per the Group statement of comprehensive income as follows:

	2013 £ 000's	2012 £ 000's
Profit / (loss) before tax on continuing operations	729	(3,060)
Tax at the BVI tax rate of 0%	-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	-	1
	-	1

Income tax expense - Company

	2013 £ 000's	2012 £ 000's
Current tax	-	5
Deferred tax	-	-
	-	5

The charge for the current year can be reconciled to the loss per the Group statement of comprehensive income as follows:

	2013 £ 000's	2012 £ 000's
Profit / (loss) before tax on continuing operations	2,999	(3,677)
Tax at the BVI tax rate of 0%	-	-
Effect of different tax rates of operations in other jurisdictions	-	5
	-	5

U.S. Income tax was paid for one of the group companies that had a small profit in 2012.

The British Virgin Islands under the IBC imposes no corporate taxes or capital gains. However, the Company as a group may be liable for taxes in the jurisdictions where it is operating.

In USA, the Company provides for income taxes on the basis of its income for financial reporting purposes, adjusted for items that are not assessable or deductible for income tax purposes, in accordance with the regulations of the tax authorities.

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered. Tax losses carried forward which may be utilised indefinitely against future taxable profits amount to £2,087k (2012: £1,495k) in the USA, £518k (2012: £380k) in Germany, £1,023k (2012: nil) in Ireland and £190k (2012: nil) in the United kingdom.

No deferred tax liability has been recognised as a result of the losses in the period.

9 Dividends

No dividends were paid or proposed by the Directors (2012 £Nil).

10 Earnings / (loss) per share

Earnings	**2013** **£ 000's**	2012 £ 000's
Earnings for the purpose of basic earnings per share being net profit attributable to owners of the Company	**798**	(3,021)

Number of shares	**2013** **million**	2012 million
Weighted average number of ordinary shares for the purpose of basic earnings per share	**591.71**	467.09
Effect of dilutive potential ordinary shares:		
Share options and warrants	**22.56**	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**614.27**	497.09

Earnings / (loss) per share	**2013** **pence**	2012 pence
Basic	**0.14**	(0.66)
Diluted	**0.13**	(0.66)

In 2012, all potential shares were anti-dilutive as the group was in a loss making position. As a result, diluted loss per share for the period ended 31 December 2012 is disclosed at the same value as basic loss per share.

Notes to Financial Statements
for the year ended 31 December 2013

11 Goodwill

Cost	**Group £ 000's**
At 1 November 2011	1,877
Additions	-
As at 31 December 2012	**1,877**
At 1 January 2013	1,877
Additions	-
As at 31 December 2013	**1,877**
Amortisation and Impairment	
At 1 November 2011	213
Impairment	(57)
Reversal of amortisation	(213)
At 31 December 2012	**(57)**
At 1 January 2013	(57)
Impairment	-
As at 31 December 2013	(57)
Net book value	
At 31 December 2013	**1,820**
At 31 December 2012	1,820

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units that are expected to benefit from that business combination. Goodwill has been allocated to Segment A (a single 'CGU').

Goodwill is not amortised in ordinance with IFRS 3. Accordingly, previously charged amortisation had been reversed in 2012.

Impairment review

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

At 31 December 2013, the Directors have carried out an impairment review and have concluded that no impairment is required.

The recoverable amounts of the CGU is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs. Management estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next three years and extrapolates cash flows into perpetuity based on an estimated growth rate of 3% (2012: 3%). The rate used to discount the forecast cash flows is 9% (2012: 9%).

The impairment in 2012 of £57k was due to dissolution of a subsidiary (dotNYC LLC).

12 Intangible Assets

Group

	generic Top Level Domains £ 000's	Software £ 000's	Other £ 000's	Total £ 000's
Cost				
At 1 November 2011	-	-	45	45
Additions	-	-	69	69
Exchange differences	-	-	-	-
At 31 December 2012	**-**	**-**	**114**	**114**
At 1 January 2013	-	-	114	114
Additions	1,339	112	6	1,517
Exchange differences	(65)	(2)	(2)	(69)
At 31 December 2013	**1,334**	**110**	**118**	**1,562**

Company

	generic Top Level Domains £ 000's	Software £ 000's	Other £ 000's	Total £ 000's
Cost				
At 1 November 2011	-	-	45	45
Additions	-	-	34	34
Exchange differences	-	-	-	-
At 31 December 2012	**-**	**-**	**79**	**79**
At 1 January 2013	-	-	79	79
Additions	1,399	-	1	1,400
Exchange differences	(65)	-	(1)	(66)
At 31 December 2013	**1,334**	**-**	**80**	**1,414**

generic Top Level Domains

In 2012, the Group applied for new generic Top Level Domains to the Internet Corporation for Assigned Names and Numbers (ICANN), see note 17 for further details. Successful applications are transferred from other long-term assets to Intangible assets. The Group capitalises the full cost incurred to pursue the rights to operate generic Top Level Domains including amounts paid at auction to gain this right where there are more than one applicant to ICANN for the same generic Top Level Domain.

This class of intangible assets are assessed to have an indefinite life as it is deemed that the application fee and amounts paid at auction give the Group indefinite right to this generic Top Level Domain.

12 Intangible assets (continued)

The Group tests intangible assets with an indefinite life (generic Top Level Domains) annually for impairment, or more frequently if there are indicators that the asset might be impaired.

At 31 December 2013, the Directors have carried out an impairment review and have concluded that no impairment is required. The recoverable amount of the individual general Top Level Domains are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to the selling process and direct costs. Management estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risk specific to the asset.

The group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next five years and extrapolates cash flows into perpetuity based on an estimated growth rate of 3%. The rate used to discount the forecast cash flow is 9%.

Software and other intangible assets

Software and other intangible assets have not been amortised, as they have not currently been brought into use. Their useful lives will be determined when they are brought into use. Other intangible assets comprise of trademarks.

13 Tangible Assets

	Group Fixtures & Equipment £ 000's
Cost	
At 1 November 2011	47
Additions	9
Exchange differences	-
At 31 December 2012	**56**
At 1 January 2013	56
Additions	497
Exchange differences	(6)
At 31 December 2013	**548**
Depreciation and Impairment	
At 1 November 2011	7
Depreciation charge for the period	15
Exchange differences	-
At 31 December 2012	**22**
At 1 January 2013	22
Depreciation charge for the period	20
Exchange differences	(1)
At 31 December 2013	**41**
Net Book Value	
At 31 December 2013	**507**
At 31 December 2012	34

The Group's obligation under finance leases (see note 20) are secured by the lessors' title to the leased assets, which have a carrying amount of £434k (2012: nil).

14 Investment in subsidiaries

	Company	
	2013	**2012**
Shares in group undertakings	**£ 000's**	£ 000's
Company		
Cost		
At the beginning of the period	**2,194**	2,070
Additions	**-**	273
Disposals	**-**	(33)
Impairment of subsidiary	**-**	(116)
Exchange differences	**(29)**	-
At 31 December	**2,166**	2,194

Details of the company's subsidiaries are as follows:

Name	**Place of Incorporation (or registration and operation)**	**Proportion of ownership interest (%)**	**Proportion of voting power (%)**
Minds and Machines LLC	US	100	100
Bayern Connect (1)	Germany	80	100
Minds and Machines GmbH (1)	Germany	80	100
ADT	US	100	100
AIC	US	100	100
DOTNYC LLC (2)	US	-	-
DotGayAlliance LLC (2)	US	-	-
Minds + Machines Ltd (Ireland) (3)	Ireland	100	100
Minds and Machines Ltd (UK) (3)	England & Wales	100	100
Top Level Domains Registry Pte (3)	Singapore	100	100
Minds + Machines Registrar Ltd (Ireland) (4)	Ireland	100	100
Minds and Machines Registrar UK Ltd (4)	England and Wales	100	100

(1) 20% of the company was sold during the period (on 1 November 2011) for a consideration of £9k

(2) Dissolved during the 2012 financial period. Impairment in 2012 relates to this subsidiary.

(3) Subsidiaries established in the 2012 financial period

(4) Subsidiaries established in the current year

Minds and Machines Registrar Limited (Ireland) is an direct subsidiary of Minds + Machines Ltd (Ireland)

The principal activities of trading subsidiaries are:

Name	**Principal activity**
Minds and Machines LLC	Consultancy services to registry
Bayern Connect	Registry
Minds and Machines GmbH	Registry
Minds + Machines Ltd (Ireland)	Registry service provider
Minds and Machines Ltd (UK)	Registry service provider
Minds + Machines Registrar Ltd (Ireland)	Registrar
Minds and Machines Registrar UK Ltd	Registrar

15 Interest in joint venture

The group has 50% interest in 4 joint ventures; Rugby Domains Ltd, Basketball Domains Ltd, Entertainment Names Inc and Dotcountry LLC. These joint ventures were formed to sell second-level domain names to registrars. The following amounts represent the Group's 50% share of the assets and liabilities and results of the joint venture. Interest in joint ventures are accounted for using the equity method. They are included in the statement of financial position and income statement as follows:

	Group	
	2013	2012
Share of interest in assets / liabilities	**£ 000's**	£ 000's
Assets		
- Non-current	**240**	200
- Current	**282**	235
	522	435
Liabilities		
- Non-current	**-**	-
- Current	**8**	2
	8	2
Share of interest in assets / liabilities	**514**	433
- Expenses	**44**	1
Loss after income tax	**44**	1

There are no commitments arising in the joint ventures.

There are no contingent liabilities relating the Group's interest in the joint ventures, and no contingent liabilities of the venture itself.

Company

Interests in joint ventures are accounted for at cost of £556k (2012: £434k) in the Company financial statements.

16 Available for sale investments

	2013	2012
Group and Company – Unlisted Investments	**£ 000's**	£ 000's
At the beginning of the period	**-**	259
Impairment	**-**	(253)
Exchange differences	**-**	(6)
At 31 December	**-**	-

Available for sale investments comprises investments in companies which are not traded on any stock markets throughout the world, and, which are held by the Group as a mix of strategic and short term investments. No listed available for sale investments are held. The market value of the above unlisted investments is stated at cost less impairment, which the directors believe to be the current fair value of the investments.

During the 2012 financial period it was determined that the available for sale investment was impaired as the company was no longer active and is expected to be dissolved.

17 Other long-term assets

	2013	2012
Group and Company	**£ 000's**	£ 000's
Restricted cash	**1,982**	2,169
Other long-term receivables	**6,773**	8,206
Total other long term assets	**8,756**	10,375

The Group capitalises the costs incurred to pursue the rights to operate certain gTLD strings as these are deemed to provide probable future economic benefit.

During the application process capitalised payments for gTLD applications are included in Other Long Term Assets. While there is no assurance that MMX will be awarded any gTLDs, long term receivables payments will be reclassified as intangible assets once the gTLD strings are available for their intended use, which is expected to occur following the delegation of gTLD strings by ICANN, currently scheduled to begin in 2014. In general, MMX does not expect to withdraw any of its applications unless the application has not passed the evaluation process and there is no further recourse or there is an agreement to sell or dispose of its interest in certain applications.

During the 2012 financial period, the Group paid US$13.5 million (£8,206k) in application fees to the Internet Corporation for assigned Names and Numbers (ICANN) under ICANN's New generic Top Level Domain (gTLD) Program and deposited US$3.6 million (£2,169k) to fund the letters of credit required by ICANN. In 2013, 11 such applications were withdrawn either as a result of participation in auctions or management decision. A further application was transferred to a joint venture. As a result, application fees paid to ICANN as at 31 December 2013 amounts to $11,100k (£6,773k) and deposits to fund letters of credit amounts to $3,251k (£1,982k).

Where MMX receives a partial cash refund for certain gTLD applications and/or to the extent the Group elects to sell or dispose of its interest in certain gTLD applications throughout the process, it may incur gains or losses on amounts invested. In such cases the application fee will be reclassified from a long-term asset. Refunds received will be properly recorded when received, gains on the sale of the Group's interest in gTLD applications will be recognised when realised, and losses will be recognised when deemed probable. Other costs incurred by MMX as part of its gTLD initiative not directly attributable to the acquisition of gTLD operator rights are expensed as incurred.

Of the applications withdrawn, 3 applications were withdrawn as a result of participation in private auction where the Group did not win the auction but received a portion of the auction proceeds. Such auction proceeds, less amounts not recovered from the Group's withdrawal of the application to ICANN are accounted for on the profit and loss account as Profit on participation in gTLD auctions and amounted to £4,120k (2012: nil). The remaining applications were withdrawn based on management's assessment of success of the application of those gTLDs. Of the application fee, those amounts not recovered from ICANN as a result of the Group's withdrawal of the application are accounted for on the profit and loss account as Loss on withdrawal of gTLD applications and amounted to £253k (2012: nil).

Restricted cash is interest bearing and is therefore stated at fair value. Other long-term receivables are stated at cost and have not been fair valued on the grounds of materiality.

18 Trade and other receivables

	2013 Group £ 000's	2013 Company £ 000's	2012 Group £ 000's	2012 Company £ 000's
Current trade and other receivables				
Trade receivables	2,065	-	2,237	2,034
Other receivables	373	128	34	15
Balances due from subsidiaries	-	8,467	-	-
Due from joint ventures	29	29	-	-
Due from related parties	37	37	49	37
	2,504	8,661	2,320	2,086
Non-Current trade and other receivables				
Balances due from subsidiaries	-	-	-	4,475
Impairment of balances due from subsidiaries	-	-	-	(1,472)
	-	-	-	3,003

The loans due from subsidiaries are interest free and have no fixed repayment date. The loans have been classified to current receivables in the current year as the directors assess these balances to be recoverable in 2014. The difference between the carrying value and the fair value of the loan at the reporting date is deemed to be immaterial.

Trade receivables

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Ageing of past due but not impaired receivables:

	2013 £000	2012 £000
1 – 30 days	**6**	75
31 – 60 days	**13**	4
61-90 days	**-**	164
Total	**19**	**243**

Movement in doubtful debts:

	2013 £	2012 £
Balance at the beginning of the period	**34**	-
Impairment losses recognised	**-**	34
Exchange differences	**(1)**	-
Balance at the end of the period	**33**	34

19 Trade and other payables

	2013		2012	
	Group	**Company**	Group	Company
	£ 000's	**£ 000's**	£ 000's	£ 000's
Trade payables	181	25	87	70
Due to joint ventures	75	72	183	183
Taxation liabilities	119	-	-	-
Other liabilities	18	-	-	-
Accruals	24	-	9	4
	418	97	279	257

All trade and other payables are due within one year.

20 Obligations under finance leases

Group

	Minimum lease payments	
	2013	**2012**
	£ 000's	**£ 000's**
Amounts payable under finance lease		
Within one year	239	-
In the second to fifth year inclusive	153	-
	392	-
Less: Future finance charges	(41)	-
Present value of lease obligation	351	-

	Present value of minimum lease payments	
	2013	**2012**
	£ 000's	**£ 000's**
Amounts payable under finance lease		
Within one year	200	-
In the second to fifth year inclusive	151	-
Present value of lease obligation	351	-
Analysed as:		
Amounts due for settlement within 12 months	200	-
Amounts due for settlement after 12 months	151	-
	351	-

The average lease term is 2 years. For the year ended 31 December 2013, the effective borrowing rate was 13.76% (2012: n/a). Interest rates are fixed at the contract date. All leases are on a fixed repayments basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in Euros.

The fair value of the group’s lease obligations is approximately equal to their carrying amount. The group’s obligations under finance leases are secured by the lessor’s rights over the leased assets disclosed in note 13.

21 Share capital and premium

Called up, allotted, issued and fully paid ordinary shares of no par value	Number of shares	Price per share (pence)	Total £ 000
As at 1 November 2011	363,774,213		12,520
Shares issued:			
10 February 2012 for cash at 8.25p per share	109,468,353	8.25	9,044
			9,044
Options and warrants exercised:			
27 February 2012 for cash on exercise of options	200,000	4	8
27 June 2012 for cash on exercise of warrants	2,500,000	4	100
5 July 2012 for cash on exercise of warrants	34,165,680	4	1,359
5 July 2012 for cash on exercise of options	300,000	4	12
10 July 2012 for cash on exercise of warrants	6,300,000	4	252
20 July 2012 for cash on exercise of warrants	1,000,000	4	40
27 July 2012 for cash on exercise of warrants	1,600,000	4	64
2 August 2012 for cash on exercise of warrants	750,000	4	30
3 September 2012 for payment of services	500,000	7	35
23 November 2012 for exercise of options	200,000	4	8
			1,908
Cost of share issue			(161)
As at 31 December 2012	**520,758,246**		**23,311**
Shares issued (shares to be issued)*			
25 February 2013 – shares to be issued	17,620,000	7.6	1,339
Shares issued:			
30 June 2013	110,375,276	6	6,622
Options and warrants exercised:			
13 June 2013 for payment of services	120,000	6	7
9 July 2013 for exercise of options	1,700,000	4	68
			75
Cost of share issue			(365)
As at 31 December 2013	**650,573,522**		**30,983**

* The shares to be issued were issued to the former shareholders of Minds and Machines LLC as part of the total consideration for the acquisition the company.

22 Share based payment

The Company has a share option scheme for all employees of the Group. Details of the share options are as follows:

	2013		2012	
	Number of share options	Weighted average exercise price (in £)	Group Number of share options	Weighted average exercise price (in £)
Outstanding at the beginning of the period	47,665,194	0.061	49,552,694	0.061
Granted during the period	21,750,000	0.067	3,812,5000	0.067
Forfeited during the period	(23,426,347)	0.068	-	-
Exercised during the period	(1,700,000)	0.047	(700,000)	0.04
Expired during the period	(1,150,000)	0.067	(5,000,000)	0.04
Outstanding at the end of the period	43,138,847	0.063	47,665,194	0.064
Exercisable at the end of the period	33,629,267	0.062	35,628,736	0.059

The weighted average contractual life of outstanding options at the end of the year is 5.33 years (2012: 5.13 years). In 2013, 19,850,000 options were granted on 13 February 2013, 1,150,000 options were granted on 8 July 2013 and 750,000 options were granted on 15 October 2013. The aggregate of the estimated fair values of the options granted during the year is £450k. In 2012, 2,562,500 options were granted on 1 August 2012 and 1,250,000 options were granted on 1 December 2012. The inputs into the Black-Scholes model are as follows:

	2013	2012
Weighted average share price (£)	0.072	0.058
Weighted average exercise price (£)	0.064	0.067
Expected volatility	35%	75%
Expected life	10 years	3 years
Risk-free rate	5%	5%
Expected dividend yield	Nil	Nil

Expected volatility was determined by calculating the historic volatility of the Group's share price over the previous year. Volatility over earlier years is not representative and has therefore not been used to calculated volatility. The expected life used in the model has been adjusted, based on management's best estimate.

The group recognised total expenses of £443k (2012: £414k) related to equity settled share based payments.

The market price of the ordinary shares at 31 December 2013 was £0.143 and the range during the year was £0.044 to £0.186

22 Share based payment (continued)

Directors' share options

Details of options for Directors' who served during the year are as follows:

	1 Jan 2013	Granted	Exercised	Expired	31 Dec 2013
Frederick Krueger (1)	5,000,000	5,000,000	-	-	10,000,000
Antony Van Couvering (2)	9,626,347	12,500,000	-	-	22,126,347
Michael Salazar (3)	1,250,000	-	-	-	1,250,000
Caspar Veltheim (4)	662,550	-	-	-	662,500
Guy Elliot (5)	3,000,000	-	-	-	3,000,000
Keith Teare	-				
Michael Mendelson (6)	1,700,000	-	(1,700,000)	-	-
Elliot Noss	-	-	-	-	-
	21,238,897	17,500,000	(1,700,000)	-	37,038,897

(1) 5,000,000 options – exercise price – £0.04, exercisable from – 14 Nov 2007, expires on – 13 Nov 2014. 2,750,130 options – exercisable from 13 May 2013, expires on 13 February 2023 (quarterly vesting beginning 13 May 2013 of 1/12th of options). 2,249,780 options – exercisable from 13 February 2013, expires on 13 February 2023, expires on 13 February 2023

(2) 2,626,347 options - exercise price – £0.04, exercisable from – 27 May 2009, expires on – 24 June 2014 7,000,000 options exercise price - £0.09, exercisable from - 22 May 2010, expires on – 24 June 2014. 3,025,143 options – exercisable from 13 May 2013, expires on 13 February 2023 (quarterly vesting beginning 13 May 2013 of 1/12th of options). 9,474,857 options – exercisable from 13 February 2013, expires on 13 February 2023.

(3) Exercise price – £0.062, exercisable from – 1 Jun 2013, expires on – 30 Nov 2022 (quarterly vesting beginning at 1 Jun 2013 of 1/12th of options)

(4) 350,000 options - exercise price – £0.09, exercisable from – 22 Jul 2011, expires on – 22 Jul 2021. 312,500 options – exercise price – £0.07, exercisable from – 1 Aug 2012, expires on 31 Jul 2022 (quarterly vesting beginning at 1 Nov 2012 of 1/12th of options)

(5) Exercise price – £0.04, exercisable from – 14 Nov 2007, expires on – 13 Nov 2014

(6) Exercise price – £0.04, exercisable from – 14 Nov 2007, expires on – 13 Nov 2014

There have been no variations to the terms and conditions or performance criteria for share options during the financial year.

Total warrants in issue

During the year ended 31 December 2013, the company granted no warrants to subscribe for ordinary shares (2012: 8,000,000). As at 31 December 2013 the unexercised warrants in issue were;

Exercise Price	Expiry Date	Warrants in Issue 31 December 2012
4p	13 November 2014	1,622,665
10p	06 May 2019	8,000,000
	Total	**10,622,665**

During the year to 31 December 2013, no warrants were exercised (2012: 46,315,680 at a price of 4p) and 1,000,000 (2012: 23,680,429) warrants expired.

Warrants fall outside the scope of IFRS 2 – Share Based Payments and are therefore not valued.

23 Financial instruments

Capital risk management

The Group and Company manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance. The Group and Company's overall strategy remains unchanged from 2012.

The capital structure of the Group and Company consists cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves, and retained earnings.

The Group and Company is not subject to any externally imposed capital requirements.

The Group and Company's strategy is to ensure availability of capital and match the profile of the Group and Company's expenditures. To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation, but controls over expenditure are carefully managed.

The Group and Company has a policy of not using derivative financial instruments for hedging purposes and therefore is exposed to changes in market rates in respect of foreign exchange risk, However, it does review its currency exposures on an ad hoc basis. Currency exposures relating to monetary assets held by foreign operations are included within the foreign exchange reserve in the Group Balance Sheet.

Categories of Financial Instruments

Group

Financial assets	**2013** **£ 000's**	**2012** £ 000's
Cash and bank balances (including restricted cash. See Note 17)	11,066	4,587
Loans and receivables (including long term receivables)	9,276	10,524
Available-for-sale financial assets	-	-
Financial liabilities		
Other financial liabilities at amortised cost	769	270

Company

Financial assets	**2013** **£ 000's**	**2012** £ 000's
Cash and bank balances (including restricted cash. See Note 17)	9,479	4,349
Loans and receivables (including long term receivables)	6,967	14,765
Available-for-sale financial assets	-	-
Financial liabilities		
Other financial liabilities at amortised cost	97	253

There are no material differences between the book values of financial instruments and their market values.

Financial risk management objectives

The Group and Company's Finance function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages financial risks related to the operations of the Group and Company through internal risk reports, which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk, and price risk), credit risk, liquidity risk, and cash flow interest rate risk.

It is, and has been throughout 2013 and 2012, the policy of both the Group and the Company that no trading derivatives are contracted.

The main risks arising from the Group and the Company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for mitigating each of these risks, which are summarised below.

23 Financial instruments (continued)

Market risk

The Group and Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The risk is managed by the Group and Company by maintaining an appropriate mix of cash and cash equivalents in the foreign currencies it operates in. The Group and Company's management did not set up any financial instruments policy to manage its exposure to interest rates and foreign currency risk.

Foreign currency risk

The Group and Company undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. The Group and Company evaluates exchange rate fluctuations on a periodic basis to take advantage of favourable rates when transferring funds between accounts denominated in different currencies.

The carrying amount of the Group and Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows

Group	Liabilities		Assets	
	2013 £ 000's	2012 £ 000's	2013 £ 000's	2012 £ 000's
Sterling	66	-	2,063	138
USD	161	270	17,158	14,915
Euro	542	-	1,121	58
As at 31 December 2012	769	270	20,342	15,111

Company	Liabilities		Assets	
	2013 £ 000's	2012 £ 000's	2013 £ 000's	2012 £ 000's
Sterling	-	-	-	138
USD	97	253	16,446	18,976
Euro	-	-	-	-
As at 31 December 2012	97	253	16,446	19,114

Foreign currency sensitivity analysis

The following table details the Group and Company's sensitivity to a 10% increase and decrease in the functional currency against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated financial instruments and adjusts their translation at the period end for a 10% change in foreign currency rates. The following table sets out the potential exposure, where a positive number below indicates an increase in profit or loss and other equity where the US Dollar strengthens 10% against the relevant currency. For a 10% weakening of the US Dollar against the relevant currency, there would be a comparable impact on the profit or loss and other equity, and the balances below would be positive.

23 Financial instruments (continued)

Group	Pound Sterling impact		Euro impact	
	2013	**2012**	**2013**	**2012**
	£ 000s	**£ 000s**	**£ 000s**	**£ 000s**
Profit or loss (i)	(200)	(306)	(58)	-
Other equity (ii)	-	-	-	-
	(200)	(306)	(200)	-

Company	Pound Sterling impact		Euro impact	
	2013	**2012**	**2013**	**2012**
	£ 000s	**£ 000s**	**£ 000s**	**£ 000s**
Profit or loss (i)	-	(368)	-	-
Other equity	-	-	-	
	-	(368)	-	-

(i) The main attributable to the exposure outstanding on Pound Sterling and Euro is receivables and payables at the balance sheet date.

(ii) There is no impact on other equity, as the Group does not hold derivative instruments designated as cash flow hedges and net investments hedges.

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year-end exposure does not reflect the exposure during the year. Operations are managed in US dollar and translation to Sterling only occurs at year-end for financial reporting purposes.

In addition, the change in equity due to a change in Sterling against all exchange rates would have no impact to equity as there would be an offset in the currency translation of the foreign operation.

Interest rate risk

The Group and Company's exposure to interest rate risk is limited to cash and cash equivalents held in interest-bearing accounts.

Interest rate sensitivity analysis

The impact of interest rate fluctuations is not material to the Group and Company accounts.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Company. The Group and the Company's financial assets comprise of receivables, cash, and cash equivalents, and other long-term assets.

The credit risk on trade and other receivables is limited as the amount represents a pre-payment of revenue from a future undertaking. The pre-payment has certain conditions associated with it that require the counterparty to refund the amounts paid if certain criteria are not met.

The credit risk on cash and cash equivalents is limited as the counterparties are banks with high credit-ratings as determined by international credit-rating agencies.

The credit risk on other long-term assets is limited as the total amount represents two components: deposits for the right to secure a revenue-generating asset and restricted cash. The deposits for the right to secure revenue-generating assets are maintained by a government sponsored global organization that is contractually required to return a portion of these deposits if requested. Furthermore, the agency, a not-for-profit organization, is well funded by its member organizations and is not a risk to cease operations. The restricted cash is deposited with banks with a high-credit rating as determined by international credit-rating agencies.

The exposure of the Group and the Company to credit risk arises from default of its counterparty, with maximum exposure equal to the carrying amount of receivables (excluding prepaid income), cash and cash equivalents, and other long term assets in the Group and Company statements of financial position.

The Group and Company does not hold any collateral as security.

23 Financial instruments (continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group and Company's short, medium, and long-term funding and liquidity management requirements. The Group and Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Cash forecasts are regularly produced to identify the liquidity requirement for the Group and Company. To date, the Group has relied on the issuance of stock warrants and shares finance its operations. The Group made use of limited borrowing facilities as at 31 December 2013.

The Group's and Company's remaining contractual maturity for its non-derivate financial liabilities with agreed repayment periods are:

		Group		Company	
31 December 2013	**Weighted average effective interest rate**	**Within 1 year £ 000s**	**1 – 5 years £ 000s**	**Within 1 year £ 000s**	**1 – 5 years £ 000s**
Non-interest bearing:					
Trade and other payables		418	-	97	-
Fixed interest rate instruments:					
Obligations under finance lease	13.76%	239	159	-	-
		657	159	-	-

		Group		Company	
31 December 2012	**Weighted average effective interest rate**	**Within 1 year £ 000s**	**1 – 5 years £ 000s**	**Within 1 year £ 000s**	**1 – 5 years £ 000s**
Non-interest bearing:					
Trade and other payables		279	-	257	-
Fixed interest rate instruments:					
Obligations under finance lease	N/A	-	-	-	-
		657	159	-	-

The Group and Company's non-derivate financial assets mature within one year with the exception of Other long term assets (note 17) which are expected to mature over a period in excess of five years.

The Group and Company's expected maturity for its non-derivative financial assets as shown below:

The Group and Company had no derivative financial instruments as at 31 December 2013 and at 31 December 2012.

24 Material non-cash transactions

There are no material non-cash transactions.

25 Commitments

The group as a lessee	**2013** **£ 000's**	**2012** £ 000's
Lease payments recognised under operating leases recognised as an expense in the year	24	-

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

	2013 **£ 000's**	**2012** £ 000's
Within one year	2	-
In the second to fifth years inclusive	-	-
After five years	-	-
	2	-

Operating lease payments represent rentals payable by the group for its office properties.

As at 31 December 2013 and 31 December 2012, the Group has no capital commitments.

As at 31 December 2013 and 31 December 2012, the Company had no lease or capital commitments.

26 Related party transactions – Group

Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the group and its associates are disclosed below. Transactions between the company and its subsidiary and associates are disclosed in note 28.

Joint ventures

During the year, the Group entered into transactions with its Joint Venture that resulted in amounts owed to or due from the Joint Ventures. The balances at the year-end were due to financial and equity requirements across the joint ventures. The balances have no fixed repayment and no interest is received or charged on these balances.

	2013 **£ 000's**	**2012** £ 000's
Due to Rugby Domains Ltd	(19)	(101)
Due to Basketball Domains Ltd	(38)	(82)
Due from Entertainment Names Inc	26	-
Due to Dot Country LLC	(15)	-

Other

At the balance sheet date, an amount of nil (2012: £78k) was paid to Patrimoine Partners LLP in respect of administrative, Group accounting services and commission. David Weill (a former director of the Company) is a Partner of Patrimoine.

At the balance sheet date, an amount of £37k (2012: £37k) was due from Frederick Krueger in relation to shares previously issued.

During the year, $180k (£109k) (2012: nil) was paid to Needly Inc for services provided to the Group for development of the registrar platform. Needly Inc is related by virtue of common directors. There was no balance due to Needly Inc at the balance sheet date (2012: nil).

Remuneration of Key Management Personnel

The remuneration of the executive directors, who are the key management personal of the group, is set out in note 6.

27 Related party transactions – Company

Transactions between the Company and its subsidiaries and associates are disclosed below.

Subsidiaries

During the year, the Company has provided financing to its subsidiaries. The balances due to the Company are detailed below. The balances have no fixed repayment terms and no interest is charged on these balances.

Company	2013 £ 000's	2012 £ 000's
Minds and Machines LLC	3,656	2,516
Bayern Connect	308	245
Minds and Machines GmbH	228	190
ADT (1)	454	515
AIC (2)	973	1,009
Minds + Machines Limited (IE)	2,188	-
Minds + Machines Registrar Limited (IE)	110	-
Minds and Machines Limited (UK)	2,003	
Minds and Machines Registrar UK Limited	1	

(1) This balance has been impaired in prior years

(2) This balance has been impaired in prior years

Joint ventures

During the year, the Group entered into transactions with its Joint Venture that resulted in amounts owed to or due from the Joint Ventures. The balances at the year-end were due to financial and equity requirements across the joint ventures. The balances have no fixed repayment and no interest is received or charged on these balances.

	2013 £ 000's	2012 £ 000's
Due to Rugby Domains Ltd	(19)	(101)
Due to Basketball Domains Ltd	(38)	(82)
Due from Entertainment Names Inc	29	-
Due to Dot Country LLC	(15)	-

Other

At the balance sheet date, an amount of nil (2012: £78k) was paid to Patrimoine Partners LLP in respect of administrative, Group accounting services and commission. David Weill (a former director of the Company) is a Partner of Patrimoine.

At the balance sheet date, an amount of £37k (2012: £37k) was due from Frederick Krueger in relation to shares previously issued.

Remuneration of Key Management Personnel

The remuneration of the executive directors, who are the key management personal of the group, is set out in note 6.

28 Post Balance Sheet Events

On 30 January 2014, 175,000,000 ordinary shares were issued as part of an equity raise, raising £21 million at 12 pence per share.

On 14 January 2014, the Company announced that contracts had been exchanged with ICANN for fifteen gTLDs (.fishing, .casa, .bupapest, .vodka, .rodeo, .work, .miami, .cooking, .hourse, .luxe, .nrw, .country, .bayern, .beer and .surf).

On 6 February 2014, the Company announced that International Centre for Expertise of the International Chamber of Commerce upheld the Community Objection lodged by the International Rugby Board ("IRB"). As a result, the Company and Roar Domains LLC are the IRB's joint venture partners for .rugby.

On 25 February 2014, the Company announced that private auctions for .wedding and .green were concluded. The Company secured the uncontested application rights for .wedding and sold its interest in .green.

In March, the Company re-listed on the AIM market of the London Stock Exchange as a result of changing the Company's status from a investing company to an operating company as defined by AIM rules. The name of the Company was changed to Minds + Machines Group Limited from Top Level Domain Holdings Limited to reflect this change.

On 4 April 2014 3,000,000 share options were exercised. The Company therefore issued 3,000,000 ordinary shares raising a total of £120k.

On 29 April 2014, the company announced that private auctions for .deals, .property, .garden and .yoga were concluded. The Company secured the uncontested application rights for .garden and .yoga and sold its interest in ..deals and .property.

Corporate Information

Registered number	1412814 registered in British Virgin Islands
Directors	Frederick R. Krueger – Executive Chairman Antony Van Couvering - Chief Executive Officer Michael Salazar – Chief Finance Officer Caspar Veltheim – Executive Director Keith Teare – Non Executive Director Elliot Noss
Registered Office	Craigmuir Chambers Road Town, Tortola British Virgin Islands VG 1110
Website	Website: www.mindsandmachines.com/about
Auditors	Mazars LLP Tower Bridge House St. Katharine's Way London E1W 1DD United Kingdom
Solicitors	Kerman & Co LLP 7 Savoy Court Strand, London WC2R 0ER United Kingdom
Nominated Advisor	Beaumont Cornish Limited 2nd Floor Bowman House 29 Wilson Street London EC2M 2SJ United Kingdom
Broker	N+1 Singer One Bartholomew Lane London EC2N 2AX United Kingdom
Registrars	Computershare Investor Services (Channel Islands) Ltd PO Box 83 Ordnance House, 31 Pier Road St Helier JE4 8PW Channel Islands
Principal Bankers	Bank of Ireland 40 Mespil Road Dublin 4 Ireland

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