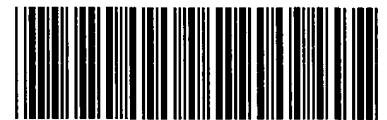



TLA WORLDWIDE PLC

Annual report and financial statements year ended 31 December 2015

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Financial Highlights

- **Headline figures**
 - Revenue growth of 114% to \$44.4 million (2014: \$20.8 million)
 - Organic revenue growth of 22% (2014: 12%)
 - EBITDA¹ increased 49% to \$13.4 million (2014: \$9.0 million)
 - Organic EBITDA growth of 10% (2014: 24%)
 - Profit before tax² increased 45% to \$12.5 million (2014: \$8.6 million)
 - Diluted EPS³ growth of 35% to 6.43 cents (2014: 4.76 cents)
- **Statutory figures**
 - Operating profit increased to \$4.4 million (2014: \$1.7 million), an increase of 159%
 - Profit before tax increased to \$2.8 million (2014: \$0.4 million), an increase of 572%
 - LPS/EPS of \$(0.07) cents (2014: \$0.01 cents)
- Proposed final dividend of 0.8 pence per share making a full year 2015 dividend of 1.0 pence (2014: 0.8 pence), an increase of 25%
- Net debt as at 31 December 2015 was \$16.4 million (2014: \$6.6 million)

Operational Highlights

Sports Marketing

- Sports Marketing revenue grew 283% to \$29.3 million (2014 \$7.7 million), organic operating income⁴ was \$11.6 million, growth of 51%
- In July 2015, delivered the first International Champions Cup (“ICC”) pre-season tournament in Australia with 225,000 spectators attending three soccer games at the MCG featuring Manchester City, Real Madrid and AS Roma
- Concluded a three-year extension with the State Government of Victoria to continue to host the Australian leg of the International Champions Cup until 2018, following the 2015 success
- Built out the events portfolio with 5 major events secured for 2016 (2015: 3) including:
 - Tottenham Hotspur, Atlético Madrid and Juventus to play in the 2016 International Champions Cup tournament
 - Opening match of 2016 American College Football Championships to be played in Australia
 - New Zealand All Blacks v Irish National team at Chicago’s iconic Soldier Field
- Delivered successfully on TLA’s contract as the master licensor for the Rugby World Cup 2015 in England, winning the UK Licensing award.

Baseball Representation

- Baseball Representation revenue up 15% to \$15.1 million (2014: \$13.2 million)
- 22 baseball players were added to TLA’s client list in 2015 bringing the total baseball client list to 289 (2014: 267)
- Major League Baseball (MLB) clients up 13%, now 94 (2014: 83)
- \$174 million contracts negotiated in 2015 (2014: \$194 million)

Corporate development and the acquisition of ESP

- Client wins across the Group include:
 - MLB American League rookie of the year
 - the Number 1 NFL draft pick and league rookie of the year runner up
 - Number 2 MLB draft pick
 - Reigning US Amateur and NCAA Golf Champion
 - various other first round draft picks in AFL, MLB and NBA
- Acquired Elite Sports Properties (“ESP”), an Australian and UK sports marketing agency, in March 2015: performance in line with expectations
- ESP added over 300 clients including sports stars Sir Chris Hoy and Becky Adlington; and gained the Cricket World Cup 2015 and Rugby World Cup 2015 as clients
- With the acquisition of ESP, total client base rose by 69% to 801. At year end, this increased by an organic 10% to 884

Bart Campbell, Executive Chairman of TLA, commented: “The year has been transformational for the Group as we continued to grow organically and successfully integrated ESP, increasing our client base by 86% to a total of 801 on its acquisition. Both, the Baseball Representation and Sports Marketing businesses grew revenues and continued to sign up quality clients, with total clients at the year-end having increased to 884.

Looking ahead, the momentum achieved in 2015 has continued into the new year. The events programme has increased to five compared to three in 2015, and we have added two new agents to the Baseball Representation business which will contribute to the future growth of this business. The Board believes that the fundamentals of our businesses remain solid and as a result we look forward with optimism.”

1 Headline EBITDA is defined as statutory operating profit adjusted to add back depreciation, amortisation of acquired intangible assets and any acquisition related charges, share-based payment charges and exceptional items

2 Headline EBITDA after bank interest and depreciation

3 Headline earnings per share is defined as headline profit for the year divided by the weighted average number of ordinary shares in issue during the year. Headline profit for the year is defined as profit for the year adjusted to add back amortisation of acquired intangible assets and any other acquisition related charges, share based payment charges, fair value movement on financial derivatives, unwinding of discount on deferred consideration and exceptional items.

4 Operating income is equal to gross profit in the income statement.

STRATEGIC REPORT
CHAIRMAN'S STATEMENT**Overview and Principal activity**

The Group delivered strong growth in revenue and operating income in 2015 across all segments, which saw an increase in Group revenue of 114% to \$44.4 million and Group operating income of 68% to \$35.0 million, with Headline EBITDA of \$13.4 million for the period, an increase of 49%. Excluding acquisitions, revenue, operating income and Headline EBITDA grew organically by 22%, 22% and 10% respectively.

The Group has continued to focus on its strategy of delivering organic growth from the underlying business, coupled with selective acquisitions designed to increase the geographic and business spread of TLA's services. This has seen TLA expand significantly into the Australian and UK markets, initially through securing the first International Champions Cup soccer tournament in Melbourne played in July 2015 and then by the purchase of ESP in March 2015 (subsequently rebranded into TLA Australia and TLA UK).

ESP has broadened the Group's reach and services. The acquisition has significantly increased the number of employees and its client base, to 158 and 884 respectively at the year-end (2014: 70 and 474 respectively). TLA's first International Champions Cup had 225,000 fans attend the event, held at the Melbourne Cricket Ground, July 2015. The tournament was played over three matches with Real Madrid, overall winners over Manchester City and AS Roma. The 2016 event is in full preparation with Atlético Madrid, Juventus and Tottenham Hotspur coming to Australia in July 2016.

With the acquisition of ESP, the Group completed its rebrand to TLA and finalised the integration of operations along with the use of the TLA brand across the Group in Australia, the UK and USA. This has allowed TLA to provide a seamless service to its clients across the Group's geographies, with the greater scale and co-ordination of the Group further highlighting TLA's visibility in the marketplace.

Outlook

Trading so far in 2016 is in line with the Board's expectations and TLA continue to see good momentum in the business, including an increase in TLA's events programme in 2016. The fundamental business drivers in the sports marketing and athlete representation industry remain strong and baseball continues to enjoy excellent forward visibility with a further \$174 million of contracts negotiated in 2015. As a result, the Board looks to the future with confidence.

Bart Campbell
Chairman

11 April 2016

STRATEGIC REPORT (continued)
CHIEF EXECUTIVE'S REVIEW

Sports Marketing

The Sports Marketing division had a strong year with revenue increasing 283% to \$29.3 million (2014 \$7.7 million) and Headline EBITDA increasing by 116% to \$9.8 million from \$4.6 million in 2014. Operating income increased to \$21.2 million (2014: \$7.7 million), growth of 175% year over year. Its client base grew by 11% to 595 (2014: 534, excluding the acquisition of ESP). Organic operating income growth was 51% to \$11.6 million (2014: \$7.7 million) and Headline EBITDA grew 38% to \$6.3 million (2014: \$4.6 million).

In 2015 TLA ran and delivered three events: the first International Champions Cup in Australia, the USA v Canada Ice Hockey tour of Australia and the USA v Australia Rugby test match in Chicago. In addition TLA was successfully able to develop its portfolio for 2016 by securing an expanded roster of events for this calendar year:

- First ever Aviva Premiership Rugby match on US soil when London Irish played Saracens in March 2016;
- Tottenham Hotspur, Atlético Madrid and Juventus to play in the 2016 International Champions Cup tournament in Australia in July 2016. For the first tournament TLA partnered with the State Government of Victoria and following the success of this event the partnership with the State Government of Victoria has been extended to 2018;
- Sydney to host opening match of 2016 American College Football season in August 2016, the first time an opening match has been played outside the USA;
- 2016 Ice Hockey Classic across Australia in June 2016; and
- New Zealand All Blacks against the Irish National Rugby Union team at Chicago's Soldier Field in November 2016.

The USA Sports Marketing business continues to grow with its client base increasing from 207 to 228. There was growth across all segments of the US business, including pleasing progress in the rights sales business that the Group established the last quarter of 2014 and the media advisory business launched earlier in that year.

Elite Sports Properties

TLA acquired the business and assets of ESP, an Australian and UK based sports marketing business, for up to \$19.5 million in March 2015. This is part of the Group's strategy to enhance its organic growth prospects with selective acquisitions that complement TLA's current activities. The seamless integration of ESP has diversified TLA's offer and expanded its reach in regions such as Australia and the UK.

ESP is reported within the Sports Marketing division. The acquisition increased TLA's client base by 327 at acquisition and added key clients such as the Australian Football League, the National Australia Bank, Cricket Australia, Adidas, Rugby World Cup 2015 and a great roster of high quality athletes in the UK and Australia.

STRATEGIC REPORT (continued)
CHIEF EXECUTIVE'S REVIEW

Baseball Representation

Revenue increased by 15% to \$15.1 million and Headline EBITDA for the year was \$6.9 million (2014: \$7.4 million). Operating income was \$13.8 million (2014: \$13.1 million). The cost base in this business increased as TLA invested in agents and developed a pipeline of clients as the Group continue to build the long term future of the business. These development costs have been expensed in the period.

TLA negotiated \$174 million worth of contracts for player-clients during 2015 (2014: \$194 million). The reduction reflects the fact that fewer players in our portfolio came off contract in 2015. On a four-year cycle, since 2012, TLA has secured over \$700 million worth of contracts for clients, giving Baseball Representation excellent forward revenue visibility and predictability of earnings in this division over the short to medium term.

22 additional baseball players were added to TLA's client list in 2015 bringing the total baseball client list to 289 (2014: 267). The two recently recruited senior agents, mentioned previously, are expected to add additional high quality clients during 2016 and thereafter.

TLA now represents 94 MLB clients (2014: 83) and 195 Minor League baseball (MiLB) clients (2014: 184), with 17 MiLB clients moving up to the majors and several older clients retiring. The players called up to an MLB roster is the start point from which their initial three-year service period starts. At the expiry of this period they become eligible for market-related salaries via arbitration which TLA assist them to negotiate their salaries in return for fees. TLA's client base continues to mature with 6 clients (2014: 3) moving into arbitration for 2016.

People

TLA's staff are the core of the business and this is an area of continued focus for the Group. TLA have further built out the teams in the divisions the Group started organically, including the events, sponsorship and consulting businesses. TLA Australia has been invaluable in the delivery of the Group's events programme.

TLA UK won the UK licensing Award for their excellent delivery of the master licensing programme for the Rugby World Cup, 2015

Pleasingly in the US this year, the Group was short listed for the prestigious Sports Business Journal Awards top five list of "Best in Talent Representation Agency" in the United States. This is a credit to TLA's people who had an excellent year in representing both their clients and TLA.

STRATEGIC REPORT (continued)

CHIEF EXECUTIVE'S REVIEW *(continued)*

Post-period end, TLA hired two MLB agents to join the Baseball Representation division. Management are delighted that they have joined TLA and we expect their established client lists to follow them to TLA.

Michael Principe
Group Chief Executive
11 April 2016

STRATEGIC REPORT *(continued)*

CHIEF FINANCIAL OFFICER'S REVIEW

This review covers the year ended 31 December 2015. For this year the Group reported a statutory profit before tax of \$2.8 million (2014: profit of \$0.4 million). The performance at the operating level, before interest, tax, depreciation, amortisation and exceptional charges showed a Headline EBITDA of \$13.4 million (2014: \$9.0 million).

Group Headline EBITDA margin reduced by 5 percentage points to 38%. As stated in the interim results announcement, this was due to TLA Australia, formerly ESP's Australian business, having lower a margin at 33%.

Headline diluted earnings per share increased by 29% to 6.34 cents from 4.76 cents, after taking into account the issue of 13.2 million shares under the Group's LTIP.

HEADLINE RESULTS

	Year ended 31 December 2015	Year ended 31 December 2014	% Change
	\$000	\$000	
Revenue	44,440	20,816	+113.5
Operating income	35,001	20,791	+68.3
Headline EBITDA	13,432	9,021	+48.9
Headline EBITDA margin ¹	38.4%	43.3%	-5.1pp
Headline profit before tax	12,483	8,567	+45.2
Headline diluted earnings per share (cents)	6.34	4.76	+35.1

¹ Headline EBITDA over gross profit, which the group defines as its operating income

STATUTORY RESULTS

	Year ended 31 December 2015	Year ended 31 December 2014	% Change
	\$000	\$000	
Revenue	44,440	20,816	+113.5
Operating profit	4,411	1,704	+158.9
Statutory profit before tax	2,817	419	+572.3
Statutory diluted (loss)/ earnings per share (cents)	(0.07)	0.01	-800.0

STRATEGIC REPORT (continued)

CHIEF FINANCIAL OFFICER'S REVIEW (continued)

TLA segments its operations into Baseball Representation and Sports Marketing as follows:

Year ended 31 December 2015

	Baseball Representation	Sports Marketing	Unallocated	Total
	\$000	\$000	\$000	\$000
Revenue	15,103	29,337	-	44,440
Cost of sales	(1,348)	(8,091)	-	(9,439)
Gross profit	13,755	21,246	-	35,001
Operating expenses excluding depreciation, amortisation, share based payments and exceptional items	(6,925)	(11,404)	(3,240)	(21,569)
Headline EBITDA	6,830	9,842	(3,240)	13,432
Amortisation of intangibles arising on acquisition	(3,532)	(2,160)	-	(5,692)
Depreciation	(10)	(84)	(51)	(145)
Exceptional items and acquisition related costs	1,685	(656)	(805)	225
Share based payments	-	-	(3,409)	(3,409)
Operating profit/ (loss)	4,973	6,942	(7,504)	4,411
Finance costs				(1,594)
Profit before tax				2,817
Tax				(2,496)
Profit for the year				321

Year ended 31 December 2014

	Baseball Representation	Sports Marketing	Unallocated	Total
	\$000	\$000	\$000	\$000
Revenues	13,155	7,661	-	20,816
Cost of sales	(25)	-	-	(25)
Gross profit	13,130	7,661	-	20,791
Operating expenses excluding depreciation, amortisation, share based payments and exceptional items	(5,725)	(3,096)	(2,949)	(11,770)
Headline EBITDA	7,405	4,565	(2,949)	9,021
Amortisation of intangibles arising on acquisition	(3,477)	(1,207)	-	(4,684)
Depreciation	(10)	(3)	(47)	(60)
Exceptional items and acquisition related costs	(184)	(250)	(717)	(1,151)
Share based payment	-	-	(1,422)	(1,422)
Operating profit/ (loss)	3,734	3,105	(5,135)	1,704
Finance costs				(1,285)
Profit before tax				419
Tax				(402)
Profit for the year				17

STRATEGIC REPORT (continued)
CHIEF FINANCIAL OFFICER'S REVIEW (continued)

DIVISIONAL PERFORMANCE

Baseball Representation

	2015	2014	%
	\$000	\$000	Change
Revenue	15,103	13,155	+14.8
Headline EBITDA	6,830	7,405	-7.8
<i>Headline EBITDA Margin¹</i>	45.2%	56.3%	- 11.1pp
Operating profit	4,973	3,734	+33.2

Trading for the year ended 31 December 2015 saw \$15.1 million of revenue, a Headline EBITDA of \$6.8 million, which was impacted by investment into agents and our portfolio of clients. Operating income increased by 5% and statutory operating profit of \$5.0 million.

Sports Marketing

	2015	2014	%
	\$000	\$000	Change
Revenues	29,337	7,661	+282.9
Headline EBITDA	9,842	4,565	+115.6
<i>Headline EBITDA Margin¹</i>	46.3%	59.6%	-13.3pp
Operating profit	6,942	3,105	+123.6

Trading for the year ended 31 December 2015 showed revenue of \$29.3 million, Headline EBITDA of \$9.8 million and operating profit of \$6.9 million. Reported revenues include third party costs, mainly relating to the acquired merchandise business within ESP. Operating income grew by 177% to \$21.2 million. Excluding the acquisition, operating income increased by 50.9%, which reflects the delivery of our new events during 2015, including the International Champions Cup, in Australia. This was strong growth despite the weakening of the Australian dollar against the US dollar, which had a foreign exchange impact to Sports Marketing's overall performance. Headline EBITDA margin, excluding acquisitions, was 54.5%.

CASH FLOW AND BANKING ARRANGEMENTS

Cash balances as at 31 December 2015 were \$6.3 million (2014: \$5.9 million) and net debt of \$16.4 million (2014: \$6.6m). The increase in the Group's debt is due to the cash element of the ESP acquisition and integration costs. Cash generated from operating activities for the year ended 31 December 2015 was \$2.0 million (2014: \$3.0 million).

STRATEGIC REPORT (continued)
CHIEF FINANCIAL OFFICER'S REVIEW (continued)

During the year, TLA secured a new 5 year \$35 million banking facility. The Group is now funded by a term loan of \$18.4 million and a revolver facility of \$15 million of which \$4.7 million was drawn as at 31 December 2015 (2014: \$6.6 million).

Cash earn-outs payments due for 2015 performance and payable in 2016 total \$1.6 million. \$10.7 million of performance related deferred consideration remains payable subject to the achievement of certain EBIT targets

DIVIDENDS

The board proposes a final dividend of 0.8 pence per share, giving a total dividend for the year of 1.0 pence, (2014: 0.8 pence), taking into account TLA's interim dividend of 0.2 pence. The dividend will be payable on 8 July 2016 and the ex-dividend date is 26 May 2016.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the Group and the execution of the Group's strategies are subject to a number of risks. The key business risks affecting the Group are shown below.

Risk management

The significant risks that the Group faces have been considered and policies have been implemented to best deal with each risk. The four most significant risks are considered to be liquidity, finance cost risk, customer relationship risk and management risk.

Liquidity risk

The year-end net debt was \$16.4 million (2014: \$6.6 million) which consisted of cash of \$6.3 million (2014: \$5.9 million) less \$18.4 million of interest bearing loans and a \$4.7 million revolver (2014: \$6.0 million of interest bearing loans and \$6.6 million of revolver). The Group revolving facility is for a total of \$15.0 million. The Group's cash and net debt position is continually monitored. The Group entered into a new five-year facility with Sun Trust of \$35 million comprising \$20 million of term loan and \$15 million revolving credit facility. The new facility matures on 4 March 2020. Further details are given in note 15 to the financial statements.

Finance risk cost

The Group pays finance costs on its bank facilities. These facilities finance costs are a variable cost linked to LIBOR plus a margin. Interest rates are managed through an interest rate swap. The average interest rate on the facilities for the Group in 2015 was 2.8% (2014: 4.5%).

Customer relationships risk

The Group has commercial relationships with 884 clients. Attrition rates are low and relationships are strong. In the case of baseball contracts, any revenues negotiated by the Group survive the termination of relationship with a client. No client accounts for more than 5% of revenue (2014: 6%).

STRATEGIC REPORT (continued)
CHIEF FINANCIAL OFFICER'S REVIEW (continued)

Management risk

It's likely that changes to members of the senior management team would impact on the Group's ability to perform to the expectations within its strategy. The Board ensures that the management team is appropriately rewarded for its efforts and that succession planning is considered. In the case of vendor management, they are incentivised through the ability to achieve future earn out payments.

KEY PERFORMANCE INDICATORS ("KPI's")

The Group manages its operational performance using a number of KPIs. The most important of these are:

KPI	Year ended 31 December 2015	Year ended 31 December 2014
Headline EBITDA	\$13.4 million	\$9.0 million
Headline EBITDA Margin	43%	43%
Profit before tax	\$2.8 million	\$0.4 million
Off-season contracts negotiated	\$146 million	\$194 million
Number of net new client wins	79	49
Debtor collection days	60 days	63 days

Donald Malter
Chief Financial Officer
11 April 2016

Board of Directors

Bart Campbell – Executive Chairman (45)

From 2009 until May 2013, Bart was the Group COO of Chime Communications plc (“Chime”) sports division, called CSM Sport & Entertainment which has 670+ staff, in 15 offices across 13 countries and is the fourth largest sports marketing agency globally. He was a member of the executive board of Chime. Prior to that he was Chief Executive of the sports marketing and management business Essentially Group plc (“Essentially”) which is part of Chime today, starting this role in 2006. Bart is also Chairman of the Melbourne Storm Rugby Club.

During his tenure as CEO of Essentially, Bart grew the business from 20 to 120 professionals with offices in London, Australia, South Africa, New Zealand, India and Japan. He is a former practicing sports and commercial lawyer, with a BA and LLB from Otago University in his native New Zealand. Bart was admitted to the bar in 1994 before going on to complete a Masters in Commercial Law (Hons) from Auckland University in 1999. He successfully completed the Advanced Management Program at Harvard Business School in 2010.

Michael Principe – Chief Executive (45)

As the Chief Executive of TLA, Mike brings nearly 15 years of experience in sports and entertainment industry to his position. Most recently, Mike served as the Managing Director of Blue Entertainment Sports Television (“BEST”), an industry leader in sports marketing, management and production, which was recently acquired by Lagardère Unlimited, where he also served as the Chief Operating Officer for its parent company, Blue Equity LLC.

Prior to joining BEST, he held various executive positions with SFX Sports Group Inc. (“SFX”), including serving as a member of its Executive Committee and that of Executive Vice President and as General Counsel. As one of the most accomplished executives and dealmakers in sports, Mike has participated in over 35 transactions with an aggregate value in excess of \$600 million. He is a member of the New York Bar and the Sports Lawyers Association. He has been named in the Sports Business Journal’s prestigious “Forty Under 40” list.

Greg Genske - Executive Director (44)

Greg became CEO of Legacy in 2004. He has served as lead negotiator for the contracts signed by Legacy clients dating back to 2004. Greg has advised amateur athletes in the MLB and NFL drafts, including the first pick overall in the 2004 and 2008 MLB drafts. He has been named in the Sports Business Journal’s prestigious “Forty Under 40” list. Prior to entering the sports industry, he practised with two leading national law firms as a trial attorney. Greg holds a bachelor’s degree from Pepperdine University and J.D. from Boalt Hall School of Law at University of California at Berkeley.

Donald Malter- Chief Financial Officer (50)

Donald was previously CFO (North America) for BMG Chrysalis since 2010, a joint venture between private equity firm, KKR and European media conglomerate, Bertelsmann. Prior to this he was CFO (North America) for Dimensional Music Publishing, LLC, a private equity backed music publishing house for 5 years. Don is an experienced financial veteran having worked in the media and entertainment industry for over 20 years.

Keith Sadler – Senior Independent Non-Executive Director (57)

Keith was, until December 2014, chief financial officer of Dods (Group) PLC, a political communications business. He was formerly COO and Group finance director of WEARE 2020 plc. Prior to this he was chief executive and Group finance director of SPG Media Group plc, a marketing services business, Group finance director of The Wireless Group and two quoted regional newspaper publishers, News Communication and Media plc and Bristol United Press plc. Before this he was treasurer of Mirror Group Newspapers plc. Keith is a chartered accountant and holds an honours degree in economics from the University of Kent.

Board of Directors (continued)

Ian Robinson – Non-Executive Director (65)

Ian is currently non-executive Chairman of Jaywing Plc, an AIM listed digital marketing and consulting business, a non-executive director of Gusbourne Plc and an AIM listed English sparkling-wine business. He is non-executive Chairman of LT Pub Management Plc, a privately owned pub and leisure asset management business. He is also a director of a number of other privately owned businesses.

Previously he was chief financial officer of Carlisle Group's UK staffing and facilities services operations. He has held other senior financial appointments both in the UK and overseas. He is a Fellow of the Institute of Chartered Accountants in England & Wales, having trained with Peat, Marwick, Mitchell & Co (now KPMG) in London.

Andrew Pearson – Non-Executive Director (57)

Andrew is a chartered accountant and as a Senior Partner for 16 years, he formed and led KPMG's Transaction Services business in the Midlands, building a multi-disciplined team of over 40 senior professionals supporting corporate, private equity and bank clients on every type of M&A transaction. Andrew currently is a Senior Partner in WayPoint Change LLP specialising in hands-on business turnaround and M&A projects for banks and private equity funds.

Directors' report

The Directors present their report together with the financial statements for the year ended 31 December 2015.

Political and charitable donations

No political or charitable donations were made during the year (2014: \$nil).

Directors' interests

The present membership of the Board, together with biographies on each, is set out on page 12 and 13. All of these Directors served throughout the year. Directors' interests in shares in the Company are set in the Directors' remuneration report on pages 17 to 21.

Directors' third party indemnity provisions

The Group maintains appropriate insurance to cover Directors' and officers' liability. The Group provides an indemnity in respect of all the Group's Directors. Neither the insurance nor the indemnity provides cover where the Director has acted fraudulently or dishonestly.

Employees

The Group is an Equal Opportunities Employer and no job applicant or employee receives less favourable treatment on the grounds of age, sex, marital status, sexual orientation race, colour, religion or belief.

It is the policy of the Group that individuals with disabilities, whether registered or not should receive full and fair consideration for all job vacancies for which they are suitable applicants. Employees who become disabled during their working life will be retained in employment whenever possible and will be given help with any rehabilitation and retraining.

Going concern

The Directors have reviewed forecasts for the years ending 31 December 2016 and 31 December 2017 and at the time of approving the financial statements, the Directors have 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. See page 33 for more detail.

Directors' report (continued)

Health and safety

The Group is committed to maintaining a safe and healthy working environment for all staff. To that end it provides appropriate training and supervision.

Supplier payment policy

It is the Group's policy and practice to settle its suppliers accounts on due dates according to agreed terms of credit. The creditor days across the Group for the year were 38 days (2014: 41 days). The Group has \$2.4 million of trade payables as at 31 December 2015 (2014: \$2.3 million).

Share capital structure

Details of the Company's share capital are set out in note 19 of the financial statements.

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 restrictions on the transfer of ordinary shares in the capital of the Company other than the customary restrictions contained in the Company's Articles of Association and certain restrictions, which may be required from time to time by law, for example, insider trading laws. In accordance with the Model code which forms part of the Listing Rules of the Financial Services Authority certain Directors and employees are required to seek approval of the Company to deal in its shares.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights. The Company's Articles of Association contain limited restrictions on the exercise of voting rights.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution at a general annual meeting of shareholders. The powers of the Directors are described in the Main Board Terms of Reference, copies of which are available on request.

Financial instruments

Details of the financial risk management objectives and policies of the Group, including hedging policies, are given in note 26 to the consolidated financial statements.

Substantial shareholdings

At the date of this report the Company has been notified, in accordance with the Disclosure and Transparency Rules, of the following voting rights as a shareholder of the Company which had disclosable interests of 3% or more of the nominal value of TLA Worldwide plc's ordinary shares of 2p each.

Directors' report (continued)

Substantial shareholdings (continued)

Shareholder	Shares	Equity %
Living Bridge	17,880,952	12.51
Strand Associates	16,871,739	11.80
Nigel Wray	12,160,000	8.51
Octopus Investments	8,870,030	6.20
Michael Principe	7,117,567	4.98
Bart Campbell	6,469,120	4.53
Amati Global Investors	6,056,000	4.24
Scott Parker	4,493,208	3.14
Dwight Mighty	4,347,734	3.04

During the period between 1 January 2015 and 11 April 2016 the Company did not receive any notifications under chapter 5 of the Disclosure and Transparency Rules.

Corporate and social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take account of the interest of the Group's stakeholders when operating the business.

Annual General Meeting

Your attention is drawn to the Notice of Meeting enclosed with this Annual Report, which set out the resolutions to be proposed at the forthcoming Annual General Meeting.

Auditor

Each of the Directors at the date of the approval of this Annual Report confirms that:

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

This conformation is given and should be interpreted on accordance with the provision of s418 of the Companies Act 2006.

The auditor, Deloitte LLP has indicated its willingness to remain in office. A resolution that they be re-appointed will be proposed at the Annual General Meeting.

By order of the Board,


Dwight Mighty
Company Secretary
11 April 2016

Directors' remuneration report

As an AIM listed Company, the Company is not required to comply with Schedule 8 of the Companies Act. However, in accordance with AIM notice 36 the Company has provided, on page 19, the necessary disclosure of the Directors' remuneration earned in respect of the financial year by each Director of the Company acting in such a capacity during the financial year. The Directors also feel it is appropriate to provide the following information to shareholders.

The Remuneration Committee

The Remuneration Committee is comprised of

- Ian Robinson (Chairman)
- Keith Sadler
- Bart Campbell

The Remuneration Committee is not comprised of entirely independent non-executive Directors. Ian Robinson, whom is affiliated to a major shareholder, and Bart Campbell, due to his position as Executive Chairman, his shareholding in the Company and his influence in its formation, are not independent under the UK corporate governance Code. The Board does consider them to act independently as regards remuneration issues.

The committee met twice during the year.

The Company Secretary is the secretary to the committee.

The committee seeks input from the Chief Executive Officer and the Company Secretary. The committee makes reference to external evidence of pay and employment conditions in other companies and is free to seek advice from external advisers.

Remuneration policy

The Group's policy on remuneration for the current year and, so far as is practicable for subsequent years, is set out below. However, the Remuneration Committee believes that it should retain the flexibility to adjust the remuneration policy in accordance with the changing needs of the business. Any changes in the policy in subsequent years will be detailed in future reports on remuneration. The Group must ensure that its remuneration arrangements attract and retain people of the right calibre in order to ensure corporate success and to enhance shareholder value. Its overall approach is to attract, develop, motivate and retain talented people at all levels, by paying competitive salaries and benefits to all staff and encouraging its staff to hold shares in the group. Pay levels are set to take account of contribution and individual performance, wage levels elsewhere in the Group and with reference to relevant market information. The Group seeks to reward its employees fairly and give them the opportunity to increase their earnings by linking pay to achieving business and individual targets.

The board believes that share ownership is an effective way of strengthening employees' involvement in the development of the business and bringing together their interest and those of shareholders and as such anticipates granting a share option scheme to key employees in the future.

Executive Directors are rewarded on the basis of individual responsibility, competence and contribution and salary increases also take into account pay awards elsewhere in the Group as well as external market benchmarking.

During the year to 31 December 2015 there were four Executive Directors:

- Bart Campbell (Executive Chairman)
- Michael Principe (CEO)
- Greg Genske (Executive Director)
- Donald Malter (CFO)

Directors' remuneration report (continued)

Remuneration policy (Continued)

Messrs Principe and Genske participate in the Company's healthcare scheme.

Performance-related elements form a substantial part of the total remuneration packages and are designed to align Directors' interest with those of shareholders. In line with best practice and to bring the Directors' and shareholders' interest further into line, Executive Directors and the management team are encouraged to maintain a holding of ordinary shares in the Group.

Non-Executive Directors fees

The Board determines fees for Non-Executive Directors annually, taking advice as appropriate and reflecting the time commitment and responsibilities on the role. Non-Executive Directors' fees currently comprise a basic fee of £30,000 per annum. In addition, Non-Executive Directors are paid £5,000 per annum for each committee that they sit on.

Non-Executive Directors do not participate in any pension schemes or LTIP. The Group reimburses the reasonable expenses they incur in carrying out their Directors' duties.

Remuneration components – Executive Directors

A significant proportion of each Executive Directors' remuneration is performance related. The main components of the remuneration package for Executive Directors are:

- Basis salary
- Annual bonuses
- LTIP

Basic salary

Basic salary is set by the Remuneration Committee by taking into account the responsibility, individual performance and experience of the Executive Director, as well as market practice for executives in a similar position. Basic salary is reviewed (but not necessarily increased) annually by the Remuneration Committee.

Bonuses

The Executive Directors are eligible to participate in annual bonuses. The range of award is based on salary. For each of the Executive Directors' the percentage is as follows:

- Bart Campbell: up to 50%
- Michael Principe: up to 50%
- Greg Genkse: No bonus
- Donald Malter: up to 16.67%

The performance requirements for the ability to earn a bonus are set by the committee annually and are quantitative related.

Share incentive

The committee believes that the award of shares aligns the interest of participants and the shareholders. An LTIP for Messrs. Campbell, Principe and Mighty was put into place on 19 December 2013, reflecting the terms set out in the Company's admission document. A further award under the LTIP was made in September 2015.

Directors' remuneration report (continued)

As part of this scheme, the following have been awarded:

Beneficiary	No of shares awarded	Award date	Average price per share	Performance criteria
Bart Campbell	2,878,851	19 December 2013	£0.01	Share price of £0.40, £0.50 and £0.60 for three month average
Michael Principe	10,136,050	19 December 2013	£0.01	
Dwight Mighty	2,878,851	19 December 2013	£0.01	

An additional award was made during the year under the LTIP as follows

Beneficiary	No of shares awarded	Award date	Average Price per share	Performance criteria
Bart Campbell	4,800,000	22 September 2015	£0.02	Share price of £0.60, £0.70 and £0.80 for three month average
Michael Principe	4,800,000	22 September 2015	£0.02	
Dwight Mighty	2,400,000	22 September 2015	£0.02	First measurement after the announcement of the 2015 results

Details of the scheme are given in note 26.

Directors' remuneration report (continued)

Audited directors' remuneration

The total amount of the Directors' remuneration of the Group for the year ended 31 December 2015 is shown below.

	2015	2014
	\$000	\$000
Aggregate emoluments	1,742	1,543

The emoluments of the Directors are shown below:

	2015	2015	2015	2014
	Fees and salary	Benefit in kind	Total	Total
	\$000	\$000	\$000	\$000
Executive Directors				
Bart Campbell	500	52	552	438
Michael Principe	500	21	521	421
Greg Genske	300	21	321	321
Donald Malter	180	-	180	180
	1,480	94	1,574	1,360
Non Executive Directors:				
Keith Sadler	61	-	61	66
Andrew Wilson (deceased) (15 May 2014)	-	-	-	27
Andrew Pearson	46	-	46	50
Ian Robinson (appointed 22 May 2014) *	61	-	61	40
Aggregate emoluments	1,648	94	1,742	1,543

* Paid to Anne Street Partners

Directors' service agreement and letters of appointment

Contract for services are negotiated on an individual basis as part of the overall remuneration package. Details are set out below.

	Date of contract	Period	Company with whom contracted
Bart Campbell	1 January 2014	12 months	TLA Worldwide plc
Michael Principe	8 December 2011	5 years	The Legacy Agency Inc.
Greg Genske	8 December 2011	5 years	The Legacy Agency Inc.
Donald Malter	13 September 2013	3 months	The Legacy Agency Inc.

In the event of termination of a contract, each director is entitled to compensation equal to his or her basic salary and bonus for their notice period.

Directors' remuneration report (continued)

Directors' service agreement and letters of appointment (Continued)

Non-executive Directors have letters of appointment, details of which are as follows:

	Date of contract	Notice Period	Company with whom contracted
Keith Sadler	16 August 2011	6 months	TLA Worldwide plc
Ian Robinson	22 May 2014	6 months	TLA Worldwide plc
Andrew Pearson	1 June 2012	6 months	TLA Worldwide plc

Directors' interests in shares

The interests of the Directors in the share capital of the Company at 31 December 2015 were as follows:

	Number of shares	Equity %
Bart Campbell *	6,469,120	4.53
Michael Principe	7,117,567	4.98
Greg Genske *	4,054,272	2.84

* Mr Campbell's shares are held through International Sports PTE limited. Mr Genske's shares are held by the Genske Life Trust

Pensions

The Group's US businesses operate a 401K pension (defined contribution) scheme.

Non-Executive Directorships

The Company allows its Executive Directors to take a limited number of outside Directorships. Individuals retain the payments received from such services since these appointments are not expected to impinge on their principal employment. Bart Campbell is Chairman of the Melbourne Storm Rugby Club.

Other related party instructions

No Director of the Company has, or had, a disclosable interest in any contracts of significant subsisting during or at the end of the period. Disclosable transactions by the Group under IAS24, Related Party Disclosures, are set out in note 29. There have been no other disclosable transactions by the Company and its subsidiaries with Directors of Group companies and with substantial shareholders.

By order of the Board

Ian Robinson
Chairman, Remuneration Committee
11 April 2016

Corporate governance report

Although not required to comply with the UK corporate governance code ("the Code") issued by the Financial Services Authority in September 2014 the Group is committed to high standards of corporate governance. Whilst the Group has not voluntarily adopted the Code, it applies a level of corporate governance which the Directors believe is appropriate for a Company of its size. This statement describes how the principles of corporate governance are applied.

The Board

The Board of TLA Worldwide plc is comprised of the Chairman, the Chief Executive Officer, the Chief Financial Officer, an Executive Director and three Non-Executive Directors. Short biographical details of each Director are set out on page 12 and 13. The Board is responsible to the shareholders for the proper management of the Group and meets at least five times a year to set the overall direction and strategy of the Group. All strategic operational and investment decisions are subject to Board approval.

The role of the Chief Executive and Chairman are separate and there is a clear division of their responsibilities. All directors are subject to re-election every three years. The Company has additionally supplemented this with the good practice of one third of the total number of Directors standing for re-election at each Annual General Meeting ("AGM"). Therefore, Don Malter and Greg Genske will retire at the upcoming AGM and, being eligible for re-election, offer themselves for re-election. Ian Robinson offers himself for election.

Board Committees

Remuneration Committee

The composition of the Remuneration Committee is disclosed on page 17. The Remuneration Committee, on behalf of the Board, as and when necessary, review and approve the contract terms, remuneration and other benefits of the Executive Directors, senior management and major remuneration plans for the Group as a whole.

The Remuneration Committee approves setting of objectives of the Executive Directors and authorises their annual bonus payments for achievement of objectives.

The Remuneration Committee approves remuneration packages sufficient to attract and motivate Executive Directors required to run the Group successfully, but does not pay more than is necessary for this service.

All the decisions of the Remuneration Committee on remuneration matters in the year ending 31 December 2015 were reported to and endorsed by the Board. Further details of the Group's policies on remuneration and service contracts are given in the Directors' remuneration report on pages 17 to 21.

Audit Committee

The Audit Committee comprises of Non-Executive Directors and Bart Campbell who is Executive Chairman. By invitation, the meeting of the Audit Committee may be attended by other Directors and the external auditor. The Committee meets not less than twice annually. The Audit Committee oversees the monitoring of the adequacy and effectiveness of the Group's internal controls, accounting policies and financial reporting and provides a forum for reporting by the Group's external auditor. Its duties include keeping under review the scope and results of the audit and its effectiveness, consideration of management's responses to any major audit recommendations and the independence and objectivity of the external auditors. This will include taking into consideration relevant UK professional and regulatory requirements and to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance.

Corporate governance report (continued)

Nominations Committee

The Nominations Committee comprises the Chairman and the Non-Executive Directors. It is responsible for monitoring the composition and balance of the Board and making recommendations to the Board on potential new Board appointments.

Company Secretary

The Company Secretary is responsible for advising the Board through the Chairman on all governance issues. All Directors have access to the advice and services of the Company Secretary.

Attendance at Board and Committee meetings

Meeting	Board	Audit	Remuneration
<i>Total meetings held</i>	7	3	2
Bart Campbell A R	7	3	2
Michael Principe	7	-	-
Don Malter	7	-	-
Greg Genske	6	-	-
Keith Sadler A R	7	3	2
Ian Robinson A R	7	3	-
Andrew Pearson	5	-	-

A - Audit Committee member

R - Remuneration Committee member

Relationship with shareholders

The Board recognises the importance of effective communication with the Company's shareholders to ensure that its strategy and performance is understood and that it remains accountable to shareholders. The Company communicates to investors through Interim Statements, audited Annual Reports, press releases and the Company's website (www.tlaworldwide.com). Shareholders are welcome to the Company's AGM (notice of which is provided with this report) where they will have the opportunity to meet the Board. The Company obtains feedback through its brokers on the views of institutional investors on a non-attributed and attributed basis and any concerns of major shareholders would be communicated to the Board.

Internal control

The Board acknowledges its responsibility for establishing and maintaining the Group's internal control and will continue to ensure that management keeps these processes under regular review and improves them where appropriate.

Management structure

There is a clearly defined organisational structure throughout the Group with established lines of reporting and delegation of authority based on job responsibilities and experience.

Financial reporting

Monthly management accounts provide relevant, reliable, up-to-date financial and non-financial information to management and the Board. Annual plans, forecast and performance targets allow management to monitor the key business and financial activities and the progress towards achieving objectives. The Board approves the annual budget.

Corporate governance report (continued)

Monitoring of controls

The Audit Committee receives reports from the auditor and reviews the effectiveness of the internal control environment of the Group. There are formal policies and procedures in place to allow the Committee to monitor the controls in place to ensure the integrity and accuracy of the accounting records and to safeguard the Group's assets. Significant capital projects, acquisitions and disposals require Board approval.

Going concern

The Directors have reviewed forecasts for the year ending 31 December 2016 and 31 December 2017. The Directors consider the forecasts to be prudent and have assessed the impact on the Group's cash flow, facilities and headroom within its banking covenants. Further, the Directors have assessed the future funding requirements of the Group, including the payment of future earn-outs, and compared the level of borrowing facilities. Based on this assessment, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the signing of these accounts. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take into account the interests of the Group's stakeholders including investors, employees, suppliers and business partners when operating the business.

Employment

At a subsidiary level each individual Company has established policies which address key corporate objectives in the management of employee relations, communications and employee involvement, training and personal development and equal opportunity. The Board recognizes its legal responsibility to ensure the wellbeing, safety and welfare of its employees and to maintain a safe and healthy working environment for them and for its visitors. Health and Safety is on the agenda for regular scheduled plc Board and Operational Board meetings.

By order of the Board

Dwight Mighty
Company Secretary
11 April 2016

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have elected to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the parent company 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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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 the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

Chief Executive Officer
Michael Principe
11 April 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TLA WORLDWIDE PLC

We have audited the financial statements of TLA Worldwide PLC for the year ended 31 December 2015 which comprise of the Group Income Statement, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Group Cash Flow Statement, the Group Statement of Changes in Equity, the related notes to the Group financial statements 1 to 29, the Parent Company Balance Sheet and the related notes to the Parent Company financial statements 1 to 10. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework"

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

Respective responsibilities of Directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2015 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TLA WORLDWIDE PLC (CONTINUED)

Matters on which we are required to report by exception

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

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



Simon Olsen FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Southampton
11 April 2016

TLA Worldwide plc

Group Income Statement

For the year ended 31 December 2015

	Note	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Revenue	1	44,440	20,816
Cost of sales		(9,439)	(25)
Gross profit		35,001	20,791
Administrative expenses		(30,590)	(19,087)
Operating profit from operations		4,411	1,704
Headline EBITDA			
		13,432	9,021
Amortisation of intangibles	4	(5,692)	(4,684)
Depreciation	4	(145)	(60)
Exceptional and acquisition related costs	4	225	(1,151)
Share based payments	4	(3,409)	(1,422)
Operating profit from operations		4,411	1,704
Finance costs	2	(1,594)	(1,285)
Profit before taxation	4	2,817	419
Taxation	8	(2,496)	(402)
Profit for the year		321	17
(Loss) / Profit for the period from continuing operations attributable to:			
Owners of the company		(88)	17
Non-controlling interest		409	-
		321	17
(Loss) / Profit per share from continuing operations:			
Basic (cents)	3	(0.07)	0.01
Diluted (cents)	3	(0.07)	0.01

TLA Worldwide plc

Group Statement of Comprehensive Income
For the year ended 31 December 2015

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Profit for the year	321	17
Dividend paid	(1,675)	(1,415)
Exchange differences on translation of overseas operations	(1,863)	(362)
Total comprehensive expense	(3,217)	(1,760)
Total comprehensive expense attributable to:		
Owners of the company	(3,639)	(1,760)
Non-controlling interests (see note 28)	422	-
	(3,217)	(1,760)

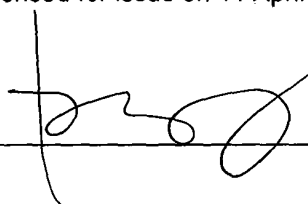
TLA Worldwide plc

Group Balance Sheet
31 December 2015

		31 December 2015 \$000	31 December 2014 \$000
Non-current assets	Note		
Intangible assets – goodwill	10	42,156	29,022
Other intangible assets	11	9,022	12,804
Property, plant and equipment	12	375	159
Deferred tax asset	9	4,450	3,884
		56,003	45,869
Current assets			
Inventory		117	
Trade and other receivables	13	21,002	12,527
Cash and cash equivalents		6,312	5,857
		27,431	18,384
Total assets		83,434	64,253
Current liabilities			
Trade and other payables	14	(12,783)	(4,653)
Borrowings	15	(2,500)	(7,546)
Deferred consideration	17	(1,600)	(2,591)
		(16,883)	(14,584)
Net current assets		10,548	3,800
Non-current liabilities			
Borrowings	15	(20,251)	(4,900)
Deferred consideration	17	(9,105)	(9,963)
Trade and other payables	14	-	(750)
Derivative financial instruments	16	(14)	(27)
		(29,370)	(14,846)
Total liabilities		(46,253)	(29,430)
Net assets		37,181	34,823
Equity			
Share capital	19	4,461	3,839
Share premium	20	46,079	33,303
Shares to be issued	20	-	1,311
Foreign currency reserve		(1,802)	74
Share based payments reserves		724	1,422
Employee share reserve	20	(9,633)	-
Retained loss		(2,782)	(5,126)
Total equity attributable to owners of the Company		37,047	34,823
Non-controlling interest		134	-
Total Equity		37,181	34,823

The financial statements of TLA Worldwide PLC, registered Company number 7741649 were approved by the Board of Directors and authorised for issue on 11 April 2016. They are signed on its behalf by:

Donald Malter (Chief Financial Officer)
11 April 2016



TLA Worldwide plc
Group Statement of Changes in Equity
For the year ended 31 December 2015

	Share Capital	Share Premium	Shares to be issued	Foreign Currency Reserve	Non- controlling interest	Share based payment reserves	Employee share reserve	Retained Earnings	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January 2014	2,747	23,461	12,177	436	-	-	-	(3,729)	35,092
Total comprehensive income for the year	-	-	-	(362)	-	1,422	-	(1,397)	(337)
Equity issued during the year	1,092	9,842	(10,866)	-	-	-	-	-	68
Balance at 31 December 2014	3,839	33,303	1,311	74	-	1,422	-	(5,126)	34,823
Total comprehensive income for the year	-	-	-	(1,876)	422	-	-	(1,763)	(3,217)
Equity issued during the year	622	12,776	(1,311)	-	-	-	(9,633)	-	2,454
Credit to equity for share based payments	-	-	-	-	-	3,409	-	-	3,409
Reserve adjusted on exercise of LTIP	-	-	-	-	-	(4,107)	-	4,107	-
Non-controlling interest arising on acquisition	-	-	-	-	(288)	-	-	-	(288)
Balance at 31 December 2015	4,461	46,079	-	(1,802)	134	724	(9,633)	(2,782)	37,181

TLA Worldwide plc
Group Statement of Cash Flows
For the year ended 31 December 2015

	Note	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Net cash from operating activities	22	2,042	2,980
Investing activities			
Purchases of property, plant and equipment	12	(76)	(36)
Deferred consideration paid	17	(2,591)	(1,825)
Purchase of other Intangible assets	11	(100)	(100)
Acquisition of subsidiaries (net of cash)	27	(6,418)	-
Net cash used in investing activities		(9,185)	(1,961)
Financing activities			
Interest paid	2	(727)	(394)
Repayment of borrowings		(1,875)	(1,000)
Fees paid on issue of new bank loans		(363)	-
Increase in borrowings		12,379	3,150
Dividend paid		(1,675)	(1,415)
Issue of shares for cash consideration (net of issue costs)	20	-	68
Net cash from financing activities		7,739	409
Net increase in cash and cash equivalents		596	1,428
Cash and cash equivalents at beginning of the year		5,857	4,429
Foreign currency translation effect		(141)	-
Cash and cash equivalents at end of the year		6,312	5,857

PRINCIPAL ACCOUNTING POLICIES

General information

TLA Worldwide PLC (the "Company") is incorporated in the United Kingdom under the Companies Act. The Company and its subsidiaries (together the "Group") principal activities are set out as part of the business review on pages 7 to 11. These financial statements are presented in US Dollars because that is the currency of the primary economic environment in which the Group operates.

Adoption of new and revised Standards

In the current year, the following new and revised standard and interpretations have been adopted:

Amendments to IAS 19: Defined Benefit Plans: Employee Contributions
Annual Improvements to IFRSs 2010 – 2012 cycle
Annual improvements to IFRSs 2011 – 2013 cycle

None of the new or revised standards that have been adopted affected the amounts reported in the financial statements. At the date of authorisation of these financial statements the Group had not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9: Financial Instruments
IFRS 15: Revenue from Contracts with Customers
IFRS 16: Leases
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations
Amendments to IAS 1: Disclosure Initiative
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation
Amendments to IAS 16 and IAS 41: Agriculture: Bearer Plants
Amendments to IAS 27: Equity Method in Separate Financial Statements
Amendments to IFRS 10 and IAS 28: Sale or Contributions of Assets between an Investor and its Associate or Joint Venture
Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exemption
Annual Improvements to IFRSs: 2012-2014 Amendments to: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IAS 34 Interim Financial Reporting

The Directors have not assessed whether the effect of the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Group in future periods. Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements. Judgements made by the Directors in the application of these accounting policies that have a significant effect on the consolidated financial statements together with estimates with significant risk of material adjustment in the next year are discussed in note 25.

Going concern

The Directors have reviewed forecasts for the year ending 31 December 2016 and 31 December 2017. The Directors consider the forecasts to be prudent and have assessed the impact on the Group's cash flow, facilities and headroom within its banking covenants. Further, the Directors have assessed the future funding requirements of the Group, including the payment of future earn-outs, and compared the level of borrowing facilities. Based on this assessment, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the signing of these accounts. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

PRINCIPAL ACCOUNTING POLICIES (continued)

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS regulation.

The financial statements have been prepared on the historical cost basis except for the revaluation of financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously-held interests in the acquired entity are re-measured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss.

PRINCIPAL ACCOUNTING POLICIES (continued)

Business combinations (continued)

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Income Statement, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3(2008) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 *Share-based Payment*; 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.

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 below), 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.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Revenue

Revenue is measured as the fair value of the consideration received or receivable and comprises amounts billed to clients in respect of fees earned and commission-based income fees earned from the provision of support services to other agents or events promoters (and is stated exclusive of any relevant sales taxes); and the revenue or the share of revenues on events where the Group is a promoter. Revenue is recognised in line with the provision of relevant services under the terms of the contract or in the case of events, once the event has occurred provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenue can be split into five revenue streams:

1) Representation revenue

Representation revenue is generated from a commission paid as a percentage of a player's base salary. Base salaries are fees payable by clubs to their players. These fees are contractual obligations made by the club to pay the player for a specific number of seasons.

Contractual arrangements are reviewed to ascertain whether the Group acts as principal or agent with regards to third party costs. If the relationship is that of agent then the recharge of third party costs is not recognised through revenue or cost of sales.

Revenue is recognised at the point the player becomes contractually obliged to pay commission to the Group.

PRINCIPAL ACCOUNTING POLICIES (continued)

Revenue (continued)

2) *Signing bonuses*

Signing bonuses are amounts payable by the clubs to the player for signing a contract. The Group earns a commission based on a percentage of the signing bonus. Commission revenue is recognised when the player receives the signing bonus from the relevant club, at which point the player becomes contractually obliged to pay commission to the Group.

3) *Endorsement revenue*

Endorsement revenue is generated from commission calculated as a percentage of fees earned by clients for guest appearances, wearing of certain attire or other sponsorship deals. Revenue is recognised in the period that the associated fees are earned by the player.

4) *Sponsorship revenue*

Sponsorship revenue is generated from commission calculated as a percentage of fees earned by placing sponsors for certain events. Revenue is recognised based on the terms of the individual contracts; at the point the commission becomes contractually due.

5) *Event revenue*

Event revenues are generated where the Group acts a promoter for an individual event or group of events. Revenue is recognised upon completion of the event, as this is the point when the Group becomes entitled to the revenue generated from that event.

6) *Merchandise*

Merchandise 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 returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably, including commission-based staff costs, including salaries, bonuses and social security costs, and expenses reimbursed to commission-based agents

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PRINCIPAL ACCOUNTING POLICIES (continued)

Property, plant and equipment

The fixtures and fittings are stated at cost. Depreciation is computed on the straight-line method using an estimated useful life ranging from three to five years. Repairs and maintenance are charged as an expense in the year incurred, and major improvements and new assets are capitalized.

It is assumed that all assets will be used until the end of their useful life.

Intangible assets and goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

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 the 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.

Intangible assets arising from a business combination whose fair values can be reliably measure are separated from goodwill and amortised based on the future cash flows attributable to the individual assets

Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangibles assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Client contracts – over the life of the contract
- Customer relationships – 6 - 8 years

Impairment

For goodwill that has an indefinite useful life the recoverable amount is estimated annually. For other assets the recoverable amount is only estimated when there is an indication that impairment may have occurred. The recoverable amount is the higher of fair value less costs to sell and value in use.

PRINCIPAL ACCOUNTING POLICIES (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred 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 current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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 computation of taxable profit, 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. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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 US Dollars which is the presentation currency for the consolidated financial statements.

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 the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates 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 a foreign currency are not retranslated.

PRINCIPAL ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Exchange differences are recognised in the Income Statement in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Income Statement on disposal or partial disposal of the net investment.

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. Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as investments in equity securities classified as available for sale, are included in the fair value reserve in equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Bank borrowings

Interest bearing bank loans and overdrafts are recorded at an amount and the amount of the proceeds received net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the consolidated income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arose.

Finance costs

Finance costs of financial liabilities are recognised in the income statement over the term of such instruments at a constant rate of the carrying amount.

Operating leases

Leases where substantially all of the risks and rewards of ownership are not transferred to the Group are treated as operating leases. Rentals under operating leases are charged to the income statement on a straight line basis over the period of the lease.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial instruments

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

PRINCIPAL ACCOUNTING POLICIES (continued)

Financial Assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset 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: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) 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.

Loans and 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 the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, 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 listed and unlisted equity investments classified as AFS, 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, including redeemable notes classified as AFS and finance lease receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, 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 of impairment 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 national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest 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. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Income Statement.

PRINCIPAL ACCOUNTING POLICIES (continued)

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 either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Income Statement. The net gain or loss recognised in Income Statement incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement. Fair value is determined in the manner described in note 26.

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 cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost 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.

PRINCIPAL ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities

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

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade payables

Trade payables are not interest-bearing and are stated at their nominal value.

Derivative financial instruments

The Group entered into an interest rate swap to manage its exposure to interest rate risk. Further details of derivative financial instruments the Group holds are disclosed in note 16.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in the Income Statement immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under contract whose terms require the delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs. Investments are classified either as available for sale, and are measured at subsequent reporting dates at fair value, or at amortised cost, where no fair value is readily determinable.

Gains and losses on available for sale financial assets arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the period.

Share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 27.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of 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 of 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.

PRINCIPAL ACCOUNTING POLICIES (continued)

Non-GAAP measures

Headline earnings is defined as profit or loss for the year adjusted to add back depreciation, amortisation of acquired intangible assets and any other acquisition related charges, share based payment charges, fair value movement on financial derivatives, unwinding of discount on deferred consideration and exceptional items

We believe these non-GAAP measures provide shareholders with useful information about the Group's trading performance. The reconciliation between operating profit from continuing operations and Headline EBITDA is shown on the face of the Group Income Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Segmental analysis

The Group reports its business activities in two areas: Baseball Representation and Sports Marketing. Unallocated represents the Group's costs as a public company, along with exceptional items and acquisition related costs (see note 4). The Group derives its revenues in the United States of America, Australia and United Kingdom.

Baseball Representation – primarily assists the on-field activities of baseball players, including all aspects of a player's contract negotiation.

Sports Marketing – primarily assists with the on-field and off-field activities of athletes; it represents broadcasters and coaches in respect of their contract negotiations; manages, produces events, primarily in sports, PR and activation, media consultancy and the selling of merchandise, primarily in sport.

All of the Group's revenue arises through the rendering of services. In the year ended 31 December 2015, there were no clients who generated in excess of 10 percent of total revenue (2014: none).

Year ended 31 December 2015

	Baseball Representation	Sports Marketing	Unallocated	Total
	\$000	\$000	\$000	\$000
Revenue	15,103	29,337	-	44,440
Cost of sales	(1,348)	(8,091)	-	(9,439)
Gross profit	13,755	21,246	-	35,001
Operating expenses excluding depreciation, amortisation, share based payments, acquisition related costs and exceptional items	(6,925)	(11,404)	(3,240)	(21,569)
Headline EBITDA	6,830	9,842	(3,240)	13,432
Amortisation of intangibles arising on acquisition	(3,532)	(2,160)	-	(5,692)
Depreciation	(10)	(84)	(51)	(145)
Exceptional items and acquisition related costs	1,685	(656)	(804)	225
Share based payments	-	-	(3,409)	(3,409)
Operating profit/ (loss)	4,973	6,942	(7,504)	4,411
Finance costs				(1,594)
Profit before tax				2,817
Tax				(2,496)
Profit for the year				321
Assets	37,037	29,695	16,702	83,434
Liabilities	(2,391)	(2,122)	(41,740)	(46,253)
Capital Employed	34,646	27,573	(25,038)	37,181

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. Segmental Analysis (Continued)

Year ended 31 December 2014

	Baseball Representation	Sports Marketing	Unallocated	Total
	\$000	\$000	\$000	\$000
Revenue	13,155	7,661	-	20,816
Cost of sales	(25)	-	-	(25)
Gross profit	13,130	7,661	-	20,791
Operating expenses excluding depreciation, amortisation, share based payments, acquisition related costs and exceptional items	(5,725)	(3,096)	(2,949)	(11,770)
Headline EBITDA	7,405	4,565	(2,949)	9,021
Amortisation of intangibles arising on acquisition	(3,477)	(1,207)	-	(4,684)
Depreciation	(10)	(3)	(47)	(60)
Exceptional items and acquisition related costs	(184)	(250)	(717)	(1,151)
Share based payments	-	-	(1,422)	(1,422)
Operating profit/ (loss)	3,734	3,105	(5,135)	1,704
Finance costs				(1,285)
Profit before tax				419
Tax				(402)
Profit for the year				17
Assets	39,563	15,200	9,490	64,253
Liabilities	(1,430)	(2,586)	(25,414)	(29,430)
Capital Employed	38,133	12,614	(15,924)	34,823

The accounting policies of the reportable segments are the same as the Group's accounting policies described in the principal accounting policies. Segment profit represents the profit earned by each segment, central administration costs including Directors' salaries, exceptional, acquisition and finance costs, and income tax expense. This is the measure reported to the Group's Chief Executive for the purpose of resource allocation and assessment of segment performance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Geographical information

The Group's revenue from external customers and information about its segment assets (non-current assets excluding financial instruments, deferred tax assets and other financial assets) by geographical location are detailed below:

	Revenues		Non-Current Assets	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
United Kingdom	2,931	-	82	-
North America	22,378	20,816	41,958	45,869
Australia	19,131	-	13,963	-
	<u>44,440</u>	<u>20,816</u>	<u>56,003</u>	<u>45,869</u>

2. Finance costs

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Interest on bank overdrafts and other loans	(727)	(394)
Total interest expense	(727)	(394)
Fair value (loss) / gain on interest rate swaps	(23)	36
Amortisation of borrowing costs over the term of the loan	(164)	(48)
Amortisation of discount on deferred consideration	(680)	(879)
Total finance costs	(1,594)	(1,285)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Earnings per share

	Year ended 31 December 2015 cents per share	Year ended 31 December 2014 cents per share
Basic (loss) / earnings per share	(0.07)	0.01
Diluted (loss) / earnings per share	(0.07)	0.01

In 2015, the loss attributable to ordinary shareholders and weighted average number of ordinary shares for the purpose of calculating diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of share options that are out of the money would have the effect of reducing the loss per ordinary share and is therefore not dilutive under the terms of the IAS 33.

The calculation of (loss) / earnings per share per share is based on the following data:

	2015 \$000	2014 \$000
(Loss) / Profit for the purposes of basic earnings per share being net (loss) / gain attributable to owners of the Company	(88)	17

Number of Shares

Weighted average number of shares in issue:	133,909,187	122,406,174
Weighted average Deferred consideration shares to be issued	2,457,085	3,226,029
Weighted average number of shares for the purposes of basic earnings per share	136,366,272	125,632,203
Weighted average share options	1,791,388	5,998,683
Weighted average number of shares for the purposes of diluted earnings per share	138,157,660	131,630,886

Headline earnings per share (see below)

	Year ended 31 December 2015 cents per share	Year ended 31 December 2014 cents per share
Basic headline earnings per share	6.52	4.99
Diluted headline earnings per share	6.43	4.76

Headline earnings is defined as profit or loss for the year adjusted to add back amortisation of acquired intangible assets and any other acquisition related charges, share based payment charges, fair value movement on financial derivatives, unwinding of discount on deferred consideration and exceptional items.

The Headline profit attributable to owners of the Company used in calculating the basic and diluted adjusted earnings per share is reconciled below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Earnings per share (continued)

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Profit attributable to shareholders	(88)	17
Adjusted for		
Exceptional and acquisition related costs (see note 4)	(225)	1,151
Share based payments	3,409	1,422
Amortisation of acquired intangible assets	5,692	4,684
Fair value gain/(loss) on interest rate swap (see note 16)	23	(36)
Unwinding of deferred consideration charges	680	878
Tax effect of adjusting items	(606)	(1,851)
Headline profit attributable to owners of the Company	8,885	6,265

4. Profit before taxation

The following are included in profit before tax:

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Depreciation of property, plant and equipment	145	60
Amortisation of other intangible assets	5,692	4,684
Exceptional and acquisition related costs (see below)	(225)	1,151
Staff costs (see note 7)	15,785	7,417
Share based payments	3,409	1,422
Auditor's remuneration (see note 5)	211	145
Operating leases	1,316	692

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Profit before taxation (continued)

The exceptional and acquisition related costs/ (gains) relate to:

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Exceptional items:		
Acquisition costs related to ESP acquisition (note 27)	794	330
Integration costs relating to ESP acquisition (note 27)	416	-
Arbitration costs	321	184
	1,531	514
Acquisition related costs/ (gains):		
Loyalty bonus arising on acquisition (note 14)	250	250
Fair value movement on valuation of deferred consideration (note 17)	(2,006)	387
	(1,756)	637
Total exceptional and acquisition related (gains) / costs	(225)	1,151

5. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Fees payable to the Company's auditor and their associates for the audit of the Company's annual accounts	188	132
Total audit and related assurance fees	188	132
Interim review	23	13
Total non-audit fees	23	13
Total Fees	211	145

6. Transaction with key management personnel

Key management of the Group is considered to be the Board of Directors and the operational Board.

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Short term benefits:		
Salaries including bonuses	1,898	1,463
Social security costs	42	29
Healthcare and other costs	94	80
Total Remuneration	2,034	1,572

Further information in respect of Directors is given in the Directors' Remuneration table on page 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Staff Costs

The average monthly number of employees (including executive Directors) was:

	2015 Number	2014 Number
Administration/Support	52	20
Agents	99	27
Executive Directors	7	7
	158	54

Their aggregate remuneration comprised:

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Wages and salaries	12,648	5,851
Social security costs	351	347
Other costs	2,786	1,219
	15,785	7,417

8. Tax

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
UK Taxes		
Current year	(465)	-
US Taxes		
Current year	(2,078)	(1,481)
Adjustments in respect of prior year	(113)	-
Australian Taxes		
Current year	(388)	
Adjustments in respect of prior year		
Total current tax	(3,044)	(1,481)
Deferred tax – current year	683	967
Deferred tax - adjustments in respect of prior year	(135)	112
	548	1,079
Total tax charge	(2,496)	(402)

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Tax (continued)

The charge for the year can be reconciled to the income statement as follows:

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Profit before tax on continuing operations	3,206	419
Tax charge at the US corporation tax rate of 34% (31 December 2014: 34%)	(1,090)	(142)
Effects of:		
Tax losses utilised in the year	584	206
Expenses not deductible for tax purposes	(1,535)	(572)
Adjustments to tax charge for prior periods	(248)	112
Tax impact of state tax in the USA	(181)	-
Unrecognised deferred tax asset	-	(72)
Effect of different tax rates of entities operating in other jurisdictions	(26)	66
Tax charge for the year	(2,496)	(402)

9. Deferred Tax

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current reporting period.

	Intangible assets \$000	Goodwill \$000	Other timing differences \$000	Total \$000
At 31 December 2013	(7,255)	9,331	729	2,805
Credit to income for prior year	-	-	112	112
Credit /(charge) to income	1,851	(1,119)	235	967
At 31 December 2014	(5,404)	8,212	1,076	3,884
Arising on acquisition	(542)	-	560	18
Credit /(charge) to income for prior year	(8)	153	(280)	(135)
Credit /(charge) to income	1,883	(1,975)	775	683
At 31 December 2015	(4,071)	6,390	2,131	4,450
			2015	2014
			\$000	\$000
Deferred tax asset			8,521	9,288
Deferred tax liability			(4,071)	(5,404)
			4,450	3,884

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Goodwill

Cost and net book value	\$000
At 1 January 2015	29,022
Additions	14,062
Foreign exchange movement	(928)
At 31 December 2015	42,156

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	2015	2014
	\$000	\$000
Legacy	18,109	18,109
PEG	4,793	4,793
Baseball representation	22,902	22,902
Agency	6,120	6,120
Elite Sports Properties	13,134	-
Sports marketing	19,254	6,120
Total TLA Worldwide	42,156	29,022

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

The recoverable amounts of all three CGUs 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 contractual revenue and direct costs during the period.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs.

The unit cash flows were discounted using a pre-tax discount rate of 11.5% (2014: 11.5%) which the Directors believe adequately reflects current market assessment in respect of both the time value of money and the risk specific to each CGU. This discount factor was considered to be appropriate for all the units, given their geography and market sector.

The Group has conducted a sensitivity analysis on the impairment test of each CGU's carrying value. A decline of 15% to cash flows, or an increase in the discount rate to 17% would result in the carrying value of goodwill being reduced to its recoverable amount.

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 for the following five years based on an estimated growth rate of 0% (2014: 0%). This rate does not exceed the average long-term growth rate for the relevant markets.

As a consequence, the Directors do not consider any need for impairment to Goodwill as at 31 December 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Other Intangible Assets

	Client contracts \$000	Customer relationships \$000	Total \$000
Cost			
At 1 January 2014	9,165	17,940	27,105
Purchase of intangible	-	100	100
At 31 December 2014	9,165	18,040	27,205
Purchase of intangible	-	100	100
Acquired on acquisition of subsidiary	1,094	822	1,916
Foreign exchange movement	(49)	(57)	(106)
At 31 December 2015	10,210	18,905	29,115
Accumulated amortisation			
At 1 January 2014	(4,963)	(4,754)	(9,717)
Charge for the year	(1,599)	(3,085)	(4,684)
At 31 December 2014	(6,562)	(7,839)	(14,401)
Charge for the year	(2,213)	(3,479)	(5,692)
At 31 December 2015	(8,775)	(11,318)	(20,093)
Carrying amount			
At 31 December 2014	2,603	10,201	12,804
At 31 December 2015	1,435	7,587	9,022

12. Property Plant and Equipment

	Fixtures & Fittings \$000
Cost	
At 1 January 2014	225
Additions	36
At 31 December 2014	261
Additions	76
Acquisition of subsidiary	285
At 31 December 2015	622
Accumulated depreciation	
At 1 January 2014	(42)
Charge for year	(60)
At 31 December 2014	(102)
Charge for year	(145)
At 31 December 2015	(247)
Carrying amount	
At 31 December 2014	159
At 31 December 2015	375

13. Trade and other receivables

	2015 \$000	2014 \$000
Trade receivables	15,690	8,639
Other debtors	3,081	1,952
Prepayments	2,231	1,936
	21,002	12,527

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Trade and other receivables (continued)

Trade receivables

Amounts receivable from trade customers are non-interest bearing and have difference payment terms depending on the contractual or other arrangements with customers, although generally terms are 30-60 days.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the reporting date. The average age of these receivables is 60 days (2014: 63 days).

The table below sets out the aging of the Group's trade receivables. The Directors consider amounts over 60 days, net of provisions, to be past due but not impaired.

	2015	2014
	\$000	\$000
0- 30 days	8,781	4,897
30-60 days	2,836	631
60-90 days	1,455	402
> 90 days	3,534	2,946
Provision for irrecoverable trade receivables	(916)	(237)
Total	15,690	8,639

The Group's trade receivables are stated after allowance for bad and doubtful debts. This allowance has been determined by considering specific doubtful balances and are analysed as follows:

	\$000
At 1 January 2014	-
Charges to operating expenses	237
At 31 December 2014	237
Charges to operating expenses	679
At 31 December 2015	916

The provision for irrecoverable trade receivables relates to debts that are past due and impaired.

In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

The Directors have considered the material receivables that are past due dates with senior management directly responsible for those relationships. On the basis of these discussions and the credit control procedures in place the Directors consider that these receivables are recoverable. The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Trade and other payables

	2015 \$000	2014 \$000
Amounts payable to providers of services	2,435	2,332
Accruals and other amounts payable	8,686	2,118
Current taxes payable	1,662	953
Total Trade and other payables	12,783	5,403
Amount due for settlement within 12 months	12,783	4,653
Amount due for settlement after 12 months	-	750
	12,783	5,403

Amounts payable to providers of services and accruals principally comprise amounts outstanding for trade purchases, ongoing costs and \$1.0 million (2014: \$0.75million) being 4 years' accrual for the 5 years' loyalty bonus in respect of the Agency acquisition. The average credit period taken for trade purchases is 38 days (2014: 41 days). For most suppliers no interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

15. Borrowings

	2015 \$000	2014 \$000
Secured borrowing at amortised cost		
Bank loans	18,401	6,000
Revolving credit facilities	4,653	6,550
Debt costs amortised over the life of the facility	(303)	(104)
	22,751	12,446
Total borrowings		
Amount due for settlement within 12 months	2,500	7,546
Amount due for settlement after 12 months	20,251	4,900
	22,751	12,446

A new loan facility of \$35 million was secured in the year as part of the ESP acquisition. All borrowings are denominated in US dollars. The other principal features of the Company's borrowings are as follows:

- interest is charged at 2.25% above US LIBOR;
- the facilities are secured against trade receivables and contracted revenue;
- the loan repayments are made quarterly over the life of the loan plus a final bullet repayment; and
- the facilities are renewable in March 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Derivative financial instruments

	2015	2014
	\$000	\$000
Interest Rate Swap	14	27
	14	27

On 30 June 2015 the Group entered into an interest rate swap of 1.9% for the period 30 June 2015 to 4 March 2020 for 50% of the outstanding balance of its \$20 million term loan facility.

The swap is a hedge of the interest rate expenses relating to the Group loans. The contract was marked to market on 31 December 2015 and had a fair value liability of \$14,000 (31 December 2014: \$27,000).

The interest rate swap's contractual maturity is summarised below:

	2015	2014
	\$000	\$000
Within 6 months	58	22
In 6 to 12 months	46	29
1 to 5 years	125	57

17. Deferred Consideration

Under the terms of the acquisition agreements in relation to Agency, Legacy, PEG and ESP the Company has obligations to the vendors of those businesses as set out below:

	2015	2014
	\$000	\$000
Payable in less than one year	1,600	2,591
Payable in one to two years	2,282	2,445
Payable in two to five years	8,484	7,515
Impact of discounting on provisions payable in cash	(1,661)	(997)
Total deferred consideration payable	10,705	11,544

During the year the Company issued \$1,311,300 (2014: Nil) consideration shares to the vendors of PEG (see note 19).

The cash deferred consideration requires the conversion into cash of the EBIT underlying the earn-out payment prior to its payment date. To the extent this has not been achieved the earn-out is reduced by the cash shortfall.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Deferred Consideration (continued)

The Group has estimated the fair value of this liability based on the anticipated future EBIT of each underlying business. This value has then been discounted back to present value using the Group's weighted average cost of capital of 5.22%.

The Group has the option to settle 30% of the \$6,298,000 payable to PEG in shares in TLA (NY) Inc. In accordance with the terms of the exchange Agreement, these shares can be exchanged for Ordinary Shares in the capital of TLA Worldwide plc at any time at the option of the vendors. These payments are made annually for the next two years.

	Deferred consideration \$000
At 1 January 2014	12,365
Transfer to accruals	(250)
Settlement of deferred consideration	(1,825)
Movement in fair value	386
Unwinding of discount	878
At 31 December 2014	11,554
Settlement of deferred consideration	(2,591)
Additional deferred consideration	3,291
Movement in fair value	(2,006)
Unwinding of discount	680
Foreign exchange movement	(223)
At 31 December 2015	10,705

18. Operating Leases

The Group's future minimum operating lease payments are as follows:

	2015 \$000	2014 \$000
Within one year	1,021	800
In the second to fifth years inclusive	1,329	1,739
	2,350	2,539

The above represents a number of office premises. During the year \$1.3 million (2015: \$0.7 million) was recognised as an expense in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. Share capital

The issued share capital of the Company and the changes during the year can be summarised as follows:

	Nominal Value £	Nominal Value \$	Number
Balance at 1 January 2014	1,753,184	2,746,597	87,659,176
Issued on 23 April 2014 at 20.00p per share	249,697	391,600	12,484,856
Issued on 12 May 2014 at 30.90p per share	728	1,255	36,374
Issued on 22 May 2014 at 20.00p per share	446,343	700,000	22,317,159
Balance at 31 December 2014	2,449,952	3,839,423	122,497,565
Issued on 19 March 2015 43.36p per share	78,796	116,066	3,939,800
Issued on 30 April 2015 at 42.75p per share	192,946	296,752	9,647,307
Issued on 5 October 2015 at 25.26p per share	64,521	98,071	3,226,029
Issued on 5 October 2015 at 59.50p per share	72,972	110,918	3,648,624
Balance at 31 December 2015	2,859,187	4,461,230	142,959,325

On 19 March 2015 the Company issued 3,939,800 shares at a price of 43.36p per share, as part consideration for the acquisition of the assets and business of ESP. On 30 April the Company issued 9,647,307 at a price of 42.75p per share in respect of the Group's LTIP after the 40p share price hurdle had been achieved. On the 5 October the Company issued the deferred consideration shares to the vendors of PEG. 3,226,029 shares were issued to the PEG vendors at a share price of 25.26p, as set out in the acquisition agreement with the PEG Vendors. Also on 5 October the Company issued 3,648,624 at a price of 59.5p per share in respect of the Group's LTIP after the 50p share price hurdle had been.

The Company has one class of ordinary shares, which carry no right to fixed income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Equity

The Share Premium arises from capital raised through the issue of ordinary shares to the extent that the nominal value is exceeded by the proceeds of the issue.

Shares to be issued reflects deferred consideration payable in respect to acquisitions. This issue is not contingent on any future event and is therefore considered an equity item (see note 17).

The Employee share reserve arises on the issue of shares under the Group's LTIP scheme.

21. Group companies

The companies (all of which are wholly owned either directly or indirectly by TLA Worldwide PLC unless otherwise stated) in the Group are:

- TLA Acquisitions Limited, registered in England and Wales, acts as an intermediate holding company;
- TLA Acquisitions number two Limited, registered in England and Wales, acts as an intermediate holding company;
- TLA-ESP Ltd, registered in England and Wales, undertakes the business of Athlete Representation and Sports Marketing;
- The Legacy Agency Pty Ltd, incorporated under the laws of Victoria, Australia, undertakes the business of Athlete Representation and Sports Marketing;
- TLA-ESP Pty Ltd, incorporated under the laws of Victoria, Australia, undertakes the business of Athlete Representation and Sports Marketing;
- The Legacy Agency Australia Pty Ltd, incorporated under the laws of Victoria, Australia, undertakes the business of Sports Marketing;
- The Legacy Agency Inc., incorporated under the laws of Delaware, United States of America, undertakes the business of Athlete Representation and Sports Marketing;
- TLA Americas Inc., incorporated under the laws of Delaware, United States of America, undertakes the business of Athlete Representation and Sports Marketing; and
- The Legacy Agency (NY) Inc. Incorporated under the laws of Delaware, United States of America, undertakes the business of Athlete Representation and Sports Marketing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Notes of Cash flow Statement

	Year ended 31 December 2015 \$000	Year ended 31 December 2014 \$000
Operating profit for the year	4,411	1,704
Adjustments for:		
Amortisation of intangible assets	5,692	4,684
Depreciation of tangible assets	145	60
Share based payment charges	3,409	1,422
Fair value movement on valuation of deferred consideration	(2,006)	387
Operating cash flows before movements in working capital	11,651	8,257
Increase in inventory	(86)	-
Increase in receivables	(3,466)	(5,064)
Increase in payables	(2,471)	1,531
Cash generated by operations	5,628	4,724
Income taxes paid	(2,335)	(995)
Other non-cash movements	(1,251)	(749)
Net cash from operating activities	2,042	2,980
Cash and cash equivalents		
Cash and bank balances	6,312	5,857

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

The Group's net debt has moved as follows during the year:

	1 January 2015 \$000	Cash flow \$000	Non-cash Movements \$000	31 December 2015 \$000
Cash and bank balances	5,857	596	(141)	6,312
Borrowings	(12,446)	(10,141)	(164)	(22,751)
Net debt	(6,589)	(9,545)	(305)	(16,439)

23. Capital commitments

The Group had no commitments to purchase property, plant and equipment (2014: none).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial information in conformity with IFRS requires the Group to make certain judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions or conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised 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. The Directors consider that the most significant area of accounting estimate relates to trade receivables, where clients have not settled in accordance with standard terms and conditions, and, the Directors have evaluated each balance receivable and made provisions for doubtful debts where appropriate, in accordance with experience of the normal basis on which such balances are settled.

Critical judgements in applying the group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Impairment of goodwill

The carrying amount of goodwill is \$40.2 million. The Directors are confident that the carrying amount of goodwill is fairly stated, and have carried out an impairment review (note 10)

Other intangible assets

The valuation of client relationships and client contracts is based on key assumptions, which the Directors have assessed, and are satisfied that the carrying value of these assets is fairly stated (see note 11). An impairment review has been carried out.

Fair value on acquisition

On acquisition management are required by IFRS3 to assess the fair value of assets and liabilities acquired. These assets and liabilities are often held at historical cost, which in some instances does not equal fair value. The Directors have assessed the fair value of assets and liabilities in respect of the acquisition of the trade and certain assets.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period, that may 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.

Deferred consideration

The Directors have provided an estimate of the amount payable in respect of deferred contingent consideration. The valuation of this liability is based on future earnings of each acquired business. Management apply judgement in estimating the anticipated future cash flows and subsequent amounts payable. See note 17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Critical accounting judgements and key sources of estimation uncertainty (continued)

Trade receivables

The Group's customers include athletes, talent and large corporations. Whilst dependant on its most high profile clients the board believe that it has structures in place to mitigate the risk of non-payment. In addition the regulatory framework around Major League Baseball in particular underpins this confidence. Historically there have been few instances of non-payment with late payers settling outstanding balances in an acceptable time frame. The enlarged group has over 470 clients which spread the risk going forward. It is a focus of the Board to closely monitor receivables as part of its KPIs.

25. Financial risk management objectives

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2014.

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in note 15 after deducting cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the statement of changes in equity.

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

Debt is defined as long and short-term borrowings (excluding derivatives) as detailed in note 15.

Equity includes all capital and reserves of the Group that are managed as capital.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed within the principal accounting policies section of this report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Financial risk management objectives (continued)

Categories of financial instruments

Financial liabilities and assets included in the balance sheet are as follows:

	2015 \$000	2014 \$000
Financial assets		
Cash and bank balances	6,312	5,857
Trade receivables	15,690	8,639
Other debtors	5,312	3,888
	<u>27,314</u>	<u>18,384</u>
Financial liabilities		
Borrowings	22,751	12,446
Deferred consideration	10,705	11,554
Derivative financial instruments	14	27
Trade payables	2,435	2,332
Accruals and other amounts payable	8,686	2,118
Current tax payable	1,662	953
	<u>46,253</u>	<u>29,430</u>

All of the Group's financial assets and liabilities, excluding derivative financial instruments, are held at amortised cost. The Directors are of the opinion that there is no material difference between the book value and the fair value of any of these assets or liabilities.

The Group's international operations expose it to a number of risks that include the effect of changes in foreign currency exchange rates, credit, and interest rates. As the majority of income and expenditure is in USD the main exchange risk is translational in effect to the earnings and dividends granted, when related to the share price in GBP. The Group holds external credit, which is discussed below.

Interest rate risk

The Group finances its activities through a mixture of retained cash, operating cash flow, bank debt and equity finance. The Group monitors its exposure to interest rate risk in association with the bank debt and when investing its cash resources and has taken the decision to fix the 50% of its outstanding term loan facility at 1.9% for period to 4 March 2020. Given this interest rate swap, interest rate fluctuations are not currently seen as sensitivity.

Credit risk

The Group's customers include athletes, talent and large corporations. Whilst dependant on it most high profile clients the Board believe that it has structures in place to mitigate the risk of non-payment. In addition, the regulatory framework around Major League Baseball in particular underpins this confidence. Historically there have been few instances of non-payment with late payers settling outstanding balances in an acceptable time frame. The enlarged group has over 840 clients which spread the risk going forward. It is a focus of the Board to closely monitor receivables as part of its KPIs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. Financial risk management objectives (continued)

Liquidity risk

The Group has continued to maintain positive cash resources well above working capital requirements, providing a strong balance sheet visible to the Group's customer base, but also ensuring sufficient available funds for operations, potential expansion or the potential financing of small acquisitions.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	0-3 months	3 months to 1 year	1-5 years	Impact of discounting	Total
31 December 2015					
Borrowings	625	1,875	20,614	(363)	22,751
Deferred consideration	1,600	-	10,766	(1,661)	10,705
Trade payables	2,435	-	-	-	2,435
Accruals	7,686	1,000	-	-	8,686
Current tax payable	-	1,662	-	-	1,662
Financial derivatives	-	-	14	-	14
	12,346	4,537	31,394	(2,024)	46,253
31 December 2014					
Borrowings	250	750	11,550	(104)	12,446
Deferred consideration	2,591	-	9,960	(997)	11,554
Trade payables	2,332	-	-	-	2,332
Accruals	1,360	-	758	-	2,118
Current tax	-	953	-	-	953
Financial derivatives	-	-	27	-	27
	6,533	1,703	22,295	(1,101)	29,430

Currency risk

The Group is exposed to currency risk on foreign currency trading and the Group's exposure to currency risk at the year-end can be illustrated by the following:

	31 December 2015 EBITDA \$000's
10% weaken of AUD (against US \$)	(247)
10% weaken of GBP (against US \$)	(36)

A strengthen would broadly have the opposite effect.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Share based payments

Equity-settled share option scheme

In December 2013 the Company entered into a Long Term Incentive Scheme ("LTIP") for certain employees of the Group. The first award under the LTIP was split into three tranches, exercisable when the share price reaches an average of £0.40, £0.50 and £0.60 for a three-month period respectively. The period for vesting of this award is five years from the Company's IPO date of 8 December 2011. If the award remains unexercised after this period they expire. The award is forfeited if the employee leaves the Group before the award vests.

In September 2015 a second award under the LTIP was made. This was also split into three tranches, exercisable when the share price reaches an average of £0.60, £0.70 and £0.80 for a three-month period respectively. The period for vesting of this award is two years from 30 September 2015. If the award remains unexercised after this period they expire. The award is forfeited if the employee leaves the Group before the award vests.

Details of the LTIP awards outstanding during the year are as follows.

	No. of share awards
At 1 January 2014	15,893,752
Granted during the year	12,000,000
Forfeited during the year	-
Exercised during the year	(13,295,931)
Expired during the year	-
Outstanding at 31 December 2015	<u>14,597,821</u>
Exercisable at the end of the year	<u>-</u>

The awards outstanding at 31 December 2015 had an exercise price of between £0.01 and £0.03 and a weighted average remaining contractual life of 18 months. The aggregate of the estimated fair values of the first award is \$1.79 million and the fair values of the second award is \$4.55 million. The inputs into the Monte Carlo model, as at the date of the LTIP being entered into, prior to the date of are as follows:

First Award	2015	2014
Weighted average exercise price	£0.01-£0.03	£0.01
Expected volatility	15.9-30%	30.0%
Expected life	2 -3 years	3 years
Risk-free rate	2.5-4.3%	4.3%

The group recognised total expenses of \$1.29 million (2014: \$581,000) related to equity-settled share-based payment transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Share based payments (continued)

If the first award hurdle of £0.40 under the LTIP did not vest during the five-year period on the expiry of the LTIP an option over 5,998,683 shares of the Company had been granted to the founders at an exercise price of 1p if satisfied by existing shares or 2p if satisfied by new shares. As the £0.40 tranche under the first award has vested during the year the option automatically expired.

The group recognised total expenses of \$1.02 million (2014: \$0.84 million) related to equity-settled share-based payment transactions.

27. Acquisitions

Elite Sports Properties ("ESP")

On 19 March 2015 the Group acquired the trade, assets and certain liabilities of Elite Sports Properties Holdings Pty Ltd, an Australian athlete representation and sports marketing company, and 55% of the share capital of Elite Sports Properties Merchandise Pty Limited (together "ESP"), for a total maximum consideration of AUD25.5 million payable over five years. Under the terms of the deal, the Group is paying up to AUD25.5 million for ESP, comprising an initial consideration of AUD13.5 million, of which AUD10.1 million is in cash and the balance by way of the issue of 3,939,800 ordinary shares of 2p each in TLA ("Shares"). The Shares were priced at 43.36p each, being the average closing market price over the seven days prior to completion of the deal. The further consideration of up to AUD12 million, of which half is payable on certain performance conditions being achieved for the three years ending 31 December 2017 and the balance subject to certain performance conditions being achieved for the five years ending 31 December 2019. Future earn out payments will be satisfied 75% cash and 25% in shares. The Group has an option to acquire the 45% of the equity of Elite Sports Properties Merchandise Pty Limited that it does not own from the first anniversary of acquisition.

ESP contributed \$19.1 million to revenue; \$9.7 million to operating income; and \$1.5 million to profit before tax for the period between the date of acquisition and the year end. Acquisition related costs (included in administrative expenses and exceptional costs) amounted to \$0.79 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Acquisitions (continued)

The carrying value and the fair value of the net assets of the acquisition were as follows:

	Book Value	Fair value adjustment	Accounting policy	AUD 000's Fair value at acquisition	USD 000's Fair value at acquisition *
Intangible fixed assets	-	2,458	-	2,458	1,916
Goodwill on balance sheet	250	(250)	-	-	-
Deferred tax asset	120	598	-	718	560
Property, plant and equipment	365	-	-	365	285
Inventory	308	(268)	-	40	31
Trade receivables and other current assets	6,959	(25)	-	6,934	5,407
Cash at bank	1,916	-	-	1,916	1,494
Trade payables and other current liabilities	(10,701)	(631)	(1,209)	(12,541)	(9,779)
Deferred tax liabilities	-	(695)	-	(695)	(542)
Net assets	(783)	1,187	(1,209)	(805)	(628)
Non-Controlling Interests					288
Goodwill					14,062
Net assets acquired					13,722
Satisfied by:					
Cash consideration					7,912
Equity in parent company					2,519
Deferred consideration payable					3,291
Fair value of consideration					13,722
Cash consideration					7,912
Less cash and cash equivalent balances acquired					(1,494)
Cash outflow on acquisition					6,418

* Converted at AUD/USD rate of 0.7797

The accounting policy alignment related to aligning ESP revenue recognition to that of the Group.

Fair value adjustments primarily comprise of recognition of intangibles fixed assets and associated deferred tax, together with certain adjustments to working capital items.

The goodwill is attributable to the work force, expected synergies and other intangible assets which do not qualify for separate recognition. None of the goodwill is expected to be tax deductible.

The fair value of the 3,939,800 ordinary shares issued as part of the consideration was AUD3.66 million was determined by the amount of shares issued multiplied by the share price on the day of the transaction exchanged to AUD on the same day.

The contingent consideration payable is based on the average EBIT for 3 years and the 5 years ending 31 December 2017 and 31 December 2019. The future potential range of the discounted payment that the Group will have to make under the contingent consideration arrangement is between AUD nil and AUD 12 million. The fair value of the of the contingent consideration arrangement of AUD 4.4 million is based current forecast performance of ESP over the period to 31 December 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

28. Non-controlling interest

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	2015 \$000
Elite Sports Property Merchandise Pty Summary Balance Sheet	
Current assets	3,439
Non-current assets	1,845
Current liabilities	(4,401)
Net Assets	<u>883</u>
Equity attributable to owners of the Company	749
Non-controlling interests	<u>134</u>
Summary Income statement	
Revenue	11,803
Total Expenses (including cost of sales)	<u>(10,894)</u>
Profit for the year	<u>909</u>
Other Comprehensive income	
Profit attributable to owners of the Company	500
Profit attributable to non-controlling interests	<u>409</u>
Profit for the year	<u><u>909</u></u>
Profit attributable to non-controlling interest	409
Exchange translation difference on non-controlling interest	13
Total other comprehensive income attributable to non-controlling interest	422

29. Related Parties

Scott Parker is deemed to be a related party as a beneficiary of the agreement relating to the acquisition of LS Legacy Sports LLC. As at 31 December 2015 he owes \$82,797 to the Company (2014: nil).

Scott Parker and Brian Peters are deemed to be a related party as a beneficiary of the agreement relating to the acquisition of LS Legacy Sports LLC. As at 31 December 2015 the jointly owes \$50,000 (2014: nil) to the Company This will be repaid from future earn-out consideration.

Jordan Bazant is deemed to be a related party as a beneficiary of the agreement relating to the acquisition of Goal Marketing, LLC, Goal Marketing II, LLC and the Agency Sports Management. As at 31 December 2015 he owes \$121,000 to the Company (2014: nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

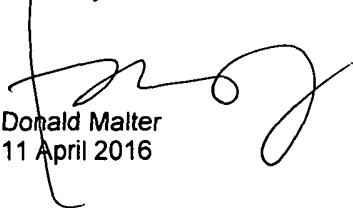
TLA Worldwide PLC

Company Balance Sheet

31 December 2015

	Note	31 December 2015 \$000	31 December 2014 \$000
Fixed assets			
Investments	2	26,327	16,553
Loan to subsidiary undertakings		25,676	21,077
		52,003	37,630
Current assets			
Debtors: Amounts falling due within one year	3	-	942
Cash at bank and in hand		1,337	835
		1,337	1,777
Creditors: Amounts falling due within one year	4	(226)	(372)
Net current assets		1,111	1,405
Total assets less current liabilities		53,114	39,035
Net assets		53,114	39,035
Capital and reserves			
Called-up Share Capital	5	4,461	3,839
Share Premium account	6	46,079	33,303
Shares to be issued	6	-	1,311
Profit and loss account	6	685	398
Foreign currency reserve		1,889	184
Shareholders' funds		53,114	39,035

These financial statements of TLA Worldwide plc, registration number 7741649, were approved by the Board of Directors' and authorised for issue on 11 April 2016. They are signed on its behalf by:



Donald Malter
11 April 2016

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. Accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard (FRS 101) 'Reduced Disclosure Framework' issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the Company has changed its accounting framework from pre-2015 UK GAAP to FRS 101 and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements have been prepared in accordance with FRS 101.

In preparing the opening and subsequent FRS 101 Balance Sheet no conversion adjustments were required from UK GAAP.

As the Company previously applied the FRS 1 exemption from presenting a Cash Flow Statement under UK GAAP, no cash flow has been provided

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account for the year. The Company's profit and loss account was approved by the Board on 11 April 2016. The Company reported a profit for the year ended 31 December 2015 of \$2.0 million.

The principal accounting policies of the Company are set out below.

Investments

Fixed asset investments are shown at cost, less provision for impairment.

Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- They include no contractual obligations upon the Company to deliver cash or other financial assets or exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- Where the instrument will or may be settled in the Company's equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as financial liability. Where the instruments for call up share capital and share premium account excludes amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part with as part of finance expenses. Finance payments associated with financial instruments that are classified in equity are dividends and are recorded directly in equity.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity in which case it is recognised in equity.

Current tax is the expected on all tax payable on the taxable income for the year, using tax rates enacted or subsequently enacted at the balance sheet date, and any adjustment to tax payable in respect of the previous year.

Deferred tax is recognised on all timing difference where the transactions or events that give the Company an obligation to pay more tax in the future, or a right to pay less in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or subsequently enacted by the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

2. Fixed assets investments

	\$000
At 31 December 2014	16,553
Additions	9,774
31 December 2015	26,327

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)**3. Fixed assets investments (continued)**

At 31 December 2015 the Company held either directly or indirectly, 20% or more of the allotted share capital of the following companies

	Class of share	By parent	By Group	Nature of Business
TLA Acquisitions Limited	Ordinary	100%	100%	intermediate holding company
TLA-ESP Limited	Ordinary	-	100%	undertakes the business of Athlete Management and sports marketing
TLA-ESP Pty Ltd	Ordinary	-	100%	undertakes the business of Athlete Management and sports marketing
The Legacy Agency Australia Pty Ltd	Ordinary	-	100%	undertakes the business of Sports Marketing
The Legacy Agency Pty Ltd	Ordinary	-	100%	undertakes the business of Athlete Management and sports marketing
The Legacy Agency Inc.	Ordinary	-	100%	undertakes the business of Athlete Management and sports marketing
TLA Acquisitions (number two) Limited	Ordinary	-	100%	intermediate holding company
TLA Americas Inc.	Ordinary	-	100%	intermediate holding company
The Legacy Agency (NY) Inc.	Ordinary	-	100%	undertakes the business of Athlete Management

4. Debtors

	2015 \$000	2014 \$000
Amounts falling due within one year		
Other debtors	-	942
	-	942

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

5. Creditors: Amounts falling due within one year

	2015 \$000	2014 \$000
Trade creditors	-	165
Accruals and deferred income	147	207
Tax payable	79	-
	226	372

6. Called up Share capital

The issued share capital of the Company and the changes during the year can be summarised as follows:

	Nominal Value £	Nominal Value \$	Number
Balance at 1 January 2014	1,753,184	2,746,597	87,599,176
Issued on 23 April 2014 at 20p per share	249,697	391,600	12,484,856
Issued on 12 May 2014 at 30.9p per share	728	1,226	36,374
Issued on 22 May 2014 at 20p per share	446,343	700,000	22,317,159
Balance at 31 December 2014	2,449,952	3,839,423	122,437,565
Issued on 19 March 2015 43.36p per share	78,796	116,066	3,939,800
Issued on 30 April 2015 at 42.75p per share	192,946	296,752	9,647,307
Issued on 5 October 2015 at 25.26p per share	64,521	98,071	3,226,029
Issued on 5 October 2015 at 59.5 per share	72,972	110,918	3,648,624
Balance at 31 December 2015	2,859,187	4,461,230	142,959,325

7. Reserves and reconciliation of shareholders funds

	Share Capital	Share Premium	Shares to be issued	Foreign Currency Reserve	Retained Earnings	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January December 2014	2,747	23,461	12,177	1,622	317	40,324
Total comprehensive income for the year	-	-	-	(1,438)	1,496	58
Equity issued during the year	1,092	9,842	(10,866)	-	-	68
Dividend paid	-	-	-	-	(1,415)	(1,415)
Balance at 31 December 2014	3,839	33,303	1,311	184	398	39,035
Total comprehensive income for the year	-	-	-	1,705	1,962	3,667
Equity issued during the year	622	12,776	(1,311)	-	-	12,087
Dividend paid	-	-	-	-	(1,675)	(1,675)
Balance at 31 December 2015	4,461	46,079	-	1,889	685	53,114

The Share Premium arises from capital raised through the issue of ordinary shares to the extent that the nominal value is exceeded by the proceeds of the issue.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)**7. Related parties**

The Company is exempt from the requirement to FRS 101 to disclose transactions with other 100% members of the TLA Worldwide plc group of companies.

Transactions with other related parties are disclosed in note 29 to the consolidated financial statements.

8. Financial risk management objectives and policies

Details of the Group policies are set out in note 24 to the consolidated financial statements.

9. Auditor's remuneration

Details of remuneration paid to the auditor by the Group are shown in note 6 of the consolidated financial statements.

10. Directors and employees

The average monthly number of employees was:

	2015 Number	2014 Number
Directors	4	4
Management	1	1
	<hr/>	<hr/>
	5	5
	<hr/> <hr/>	<hr/> <hr/>

Their aggregate remuneration comprised:

	2015 \$000	2014 \$000
Wages and salaries	918	918
Social security costs	90	37
	<hr/>	<hr/>
	1,008	955
	<hr/> <hr/>	<hr/> <hr/>

The USA based directors of the Group are remunerated by TLA INC. and note 6 of the Group accounts set out amounts paid to key personnel

Shareholder information

Annual General Meeting 22 June 2016

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Southampton

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