

21 June 2013

Ten Alps Plc
Audited Preliminary Results

Ten Alps Plc (“Ten Alps” or the “Group”), producer of high quality TV and radio together with integrated publishing and communications content, today announces its final results for the twelve months to 31 March 2013.

The Ten Alps Board believes this has been a year of transformation for the Group. The Group has moved decisively away from the legacy of its past and has implemented a substantial restructuring and set of disposals during the year. At the same time we have simplified our management structure, continued to reduce our overheads, refreshed our portfolio and expanded our services in sectors and markets which we believe will grow in the future.

The key focus going forward continues to be the return to overall profitability and a particular emphasis on quality and delivery within the Group's divisions.

Highlights for the year include:

Underlying Performance

- Group revenues of £27.64m (2012: £34.18m)
- Underlying adjusted EBITDA* of £(0.65)m (2012: £1.0m)
Stated after provisions against stock, work in progress, contracts and debtors of £1.44m (2012: £0.62m)
- Reorganisation and restructuring costs of £0.46m (2012: £1.24m)
- Impairment and amortisation of £4.2m (2012: £2.2m)
- Cash at £3.13m (2012: £2.87m)
- Net Debt of £6.87m (2012: £6.12m)
- TV order book of £5.6m and CSR of £1.4m as at 31 May 2013
- Publishing forward order book of £5.9m for the next 12 months as at 31 May 2013

**To assist in the understanding of the underlying performance of the Group, statutory profit has been adjusted to exclude non-recurring items*

Statutory Performance

- Operating Losses of £7.64m (2012: £3.94m)
- Loss before tax £8.0m (2012: £3.64m)
- Diluted loss per share 3.41p (2012: 3.03p)
- Non- recurring items of £5.08m (2012: £1.82m)
- Total Assets £19.05m (2012: £29.58m)

Business Overview

- Successful £1m fundraise for the Group via the issue of new capital and loan notes in March 2013
- Simplified management structure and reporting lines
- Disposal of Ten Alps Asia Holdings PTE Limited and Ten Alps Communications Asia PTE Limited in July 2012
- Disposal of underperforming asset, Below the Radar, in February 2013
- Disposal of non-core Agency assets in May 2013
- Closure of Manchester (Publishing) and Derby (TV) Offices
- Moving Corporate Social Responsibility ("CSR") unit to the Group's central London Office
- Further reduction in cost base across all units
- 2 *Bafta* nominations for the Broadcasting division (*Great Ormond Street and Lucian Freud*) and third and fourth series of *Benidorm ER* commissioned

- Retention and building relationships of major clients in the Publishing units from *The Ministry of Defence, The Women's Institute, The Caravan Club, Association of Optometrists, Local Authority Building Control, Camping & Caravan Club and Unite the Union*
- New private sector clients for the CSR unit including *Astra Zeneca and Sanofi Pasteur*

Peter Bertram, Chairman, commented:

“We have a good order book in all our divisions which bodes well for the new financial year. Although it has been a challenging journey since I took on the role as Chairman in January 2011, as stated above, the Group has completed many of its planned strategies of focus and stability this year.

With continued attention on core markets and organic growth together with a restructured balance sheet, we start the new financial year in a stronger position.

We have many talented individuals across our divisions, who continue to create and deliver quality and professional products in tough economic conditions, something this Board is proud of.”

Extracts of the audited results appear below and a full version will be available on the Company's website www.tenalps.com

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BUSINESS REVIEW

Transformed, Energised and Stable

The Group has had a transformative year. It has streamlined itself into two core divisions of Broadcasting and Integrated Services. Its core senior management has been reorganised to a simpler, more effective structure with clear reporting lines. In order to deliver the Groups stated goals of stability, focussed strategies and key performance indicators ("KPIs") it has heavily restructured during the year, the Group has disposed of three entities, ceased operations in three locations, relocated a large unit and reorganised the senior management and finance function.

We set out to improve our performance from last year and, due to the actions listed above and the tough economic climate, we have incurred substantial losses, a significant proportion of which are non- recurring. These are detailed further below.

However, we believe it was the right strategy to adopt in order for us to deliver our stated goals for the future. We are setting similar goals for this year with clear emphasis on creative content and products, cash generation, core market growth and enhanced overall performance thereby enabling us to address the interests of the various stakeholders of the Group.

As stated previously, the Directors believe that Ten Alps' assets in Broadcasting and Integrated Services are strong and have the potential for future expansion. Although market conditions remain challenging we believe that by delivering solid organic development on a further reduced cost base, the Group can generate improved financial returns and take advantage of wider opportunities in the future.

Broadcasting

TV and Radio

The aim of this division is to further exploit our skills at producing high quality programming that attracts both audiences and industry awards. We continue to prioritise the development of series ideas and forging new relationships with different programme commissioners. We will also build upon our international reputation to ensure that each company is international in its outlook and capable of working with international clients.

The strategy is to grow our TV unit business organically over the next 2-3 years with strategic additions of talent to enhance those aims. KPIs for the year going forward will be similar to last years, being increased output with growth coming from series commissions, new clients in the UK and overseas as well as branching into genres which can benefit from our core strengths.

Having made good progress in the beginning of this financial year, the division's senior management focussed on the disposal of its non-performing Belfast asset, Below the Radar in the latter half.

Integrated Services

Publishing

This unit has been fundamentally restructured to focus on its core operations and skills as it breaks away from its past legacy. With the closure of our Manchester office during the year, the disposal of non-UK assets in Singapore and the non-core Agency asset, along with other cost saving actions, the unit will benefit from a substantially reduced overhead base, simplified structure and a refreshed product portfolio. The delivery of advertising sales run -rates and new business targets remain critical to the unit.

The retention and development of existing clients is another key strategy. To enable us to achieve this we aim to retain and recruit the highest calibre of employees by offering them the opportunity to work on innovative projects and expanding their skills in key niche sectors.

During the current financial year the unit will see its UK publishing assets collaborating more closely together to optimise available synergies in terms of both costs and commercial opportunities. In addition we will seek to extend the strong owned asset brands into other revenue streams such as events and awards that will further enhance these brands and generate incremental revenue margin.

KPIs for the year will be to return to profitability, enhanced delivery of products, retention of existing clients and generating new business by extending into new revenues streams.

CSR

A key aim of this unit is to broaden its client base and increase the private sector revenue as a percentage overall. It has relocated to the Group's central London office and will cease operations in Harrow in the Autumn of 2013. It has reduced its head count from 35 to 22.

We believe the unit is seeing the benefits of the implementation of the planned strategies after challenging conditions in 2012. It has achieved some KPIs in that it has returned to profitability (before provisions for an onerous contract), increased the private sector client base, launched an IP owning digital product and further integrated within the Group.

The KPIs for the new financial year are a rise in underlying profitability, increased revenues from new clients, higher margins through better management and cost control and further collaboration within the Group in order to enhance our ability to service clients with a broader set of skills.

OPERATING REVIEW

Overview

Underlying performance for the Group is shown below. The Group has been focussing on the publishing unit in order to address the losses and believes it has completed the necessary restructure and reorganisation to stem losses going forward.

Underlying Adjusted EBIDTA	Adjusted EBITDA	Non-recurring	Share based payments	Exceptionals	Underlying 2013 EBITDA	2012 *
Plc	£(0.93)m	-	£0.16m		£(0.77)m	£(1.10)m
Broadcasting	£0.51m	£0.08m		£0.05m	£0.64m	£0.59m
Integrated Marketing						
<i>Publishing</i>	£(2.34)m	£1.15m		£0.38m	£(0.81)m	£1.87m
CSR	£0.05m	£0.21m		£0.03m	£0.29m	£(0.36)m
Total	£(2.71)m	£1.44m	£0.16m	£0.46m	£(0.65)m	£1.0m

* Adjusted to reflect add back of restructuring costs in 2012

Included in non-recurring costs are bad debts of £0.08m in broadcasting, a rare occurrence. In publishing, the non-recurring amount is made up of £0.58m in bad debts, £0.47m in work in progress adjustments and £0.1m of obsolete fixed assets being written off. CSR unit comprises of stock adjustment of £0.07m and £0.14m in onerous contract provision. The exceptionals relate to reorganisation and restructuring costs in the year of £0.46m (2012: £1.24m (all publishing)).

Non -recurring Items

Total non-recurring items during the year were £5.08m (2012: £1.82m). A full analysis of non-recurring items is summarised in the table below.

Non- recurring Items	2013	2012
Impairment of goodwill	£(3.18)m	£(0.98)m
Write off of obsolete fixed assets	£(0.1)m	£Nil
Work in progress adjustments	£(0.47)m	£Nil
Bad debt provision	£(0.66)m	£(0.62)m
Stock write off	£(0.07)m	£Nil
Gain on extinguishment of debt	£Nil	£1.02m
Sub-total non-recurring items with no cash impact	£(4.48)m	£(0.58)m
Cost of reorganisation and restructure	£(0.46)m	£(1.24)m
Contract Provisions	£(0.14)m	£Nil
Sub-total of cash charges	£(0.6)m	£(1.24)m
Total non -recurring Items	£(5.08)m	£(1.82)m

During the year the Group revisited the work in progress calculations for the publishing unit and as a consequence adjusted the amount carried forward by £0.47m. In addition, it wrote off obsolete fixed assets on the register by £0.1m and further increased bad debt provision by £0.6m. In CSR, the unit reduced its stock value by £0.07m and provided for an onerous contract of £0.14m.

Broadcasting

The broadcasting division of Ten Alps focusses on the production of high quality factual programming for major broadcasters. The output of the division includes award winning documentaries featuring current affairs and investigative content. The business enjoys a premium reputation and employs a number of highly respected television producers operating under industry leading brands. It operates from a centralised unit in London with an office in Manchester under four major brands.

The current order book as at 31 May 2013 was c£5.6m representing 68% of 2013 reported revenues. This validates the division's decision to invest in its development in order to achieve the stated KPIs and the results are now coming through. Development costs for the year increased by 16.6% to £0.21m (2012: £0.18m) and were expensed to the income statement.

Blakeway North has recently been commissioned for *Benidorm ER* Series 3 and 4 comprising of 20 episodes. Blakeway is finalising its first theatrical commission, a stated KPI for the division and it has been commissioned by the current affairs division of Chinese broadcaster CCTV, in collaboration with Suzhou based Houghton Street Media, to produce a 7 x30 minute series '*What you didn't know about the West*' which aired in January 2013. It has also been contracted to an output deal with Channel 4 to produce a minimum of 8 *Dispatches* in the financial year going forward.

Films of Record continue to develop access driven observational documentaries and it was nominated for a Bafta in the Factual Series Category for *Great Ormond Street Series*. It will look to expand this output with the addition of its new executive producer, Neil Grant, who joins in June 2013.

Brook Lapping has completed its flagship series *The Iraq War* to acclaimed reviews and will look to expand its genre with strategic appointments in the coming months.

We believe that the disposal of Below the Radar was the right action for the division as it means it can now concentrate on the areas over which it has full control. EBITDA for the broadcasting division was lower than last year by £0.08k at £0.51m (2012: £0.58m) as a result of bad debt costs but the division held EBIT at £0.4m (2012: £0.39m).

Broadcasting	2013	2012
Revenue	£8.29m	£8.43m
EBITDA*	£0.51m	£0.59m
EBIT**	£0.4m	£0.39m
Underlying EBITDA	£0.65m	£0.59m
*Development Expense	£(0.21)m	£(0.18)m
**Reorganisation Costs	£(0.05)m	£(0.11)m

Creative highlights in the year included 2 well-reviewed *Margaret Thatcher: Obituaries* (BBC1 -90mins) and (Sky Atlantic-60 mins), *Bafta Nominated Lucian Freud* (BBC 2), *Exposure: No Bribes Please! We're British* (ITV1), *Space Voyages* (Smithsonian Channels), *Queen Victoria's Children* (BBC2), *Edward VIII: The Plot to Topple a King* (C4), *Panorama: Honour Killings* (BBC1) and from *Dispatches: C4 News: Plebgate* (C4), *Murdoch, Cameron and £8billion deal* (C4) and *Getting Rich on the NHS* (C4).

Blakeway North delivered *Benidorm ER Series 2* (C5) and *Perspectives: The Brilliant Bronte Sisters* (ITV) whilst Films of Record produced *Hugh Grant: Talking to the Tabloids* (C4) and *Panorama: The Truth About Sports Products* (BBC1). Finally, there was strong radio production for BBC Radio from *Destination Freedom* (Radio 4), *The Uncanny* (Radio 4), *Inside the Aid Industry* (Radio 4) to *The Supremes* (Radio 2) and *Ziggy* (Radio 2).

Integrated Services

Publishing

The publishing unit of Ten Alps, which delivers content in four formats: print, online, tablet and events, has like the rest of the business, faced the extreme economic conditions and has, we believe, benefitted from the refocus and related restructuring undertaken over the last two years. It has now completed its planned reorganisations and restructure and has effectively broken from its past legacy. The unit now only comprises of UK Publishing assets namely in Publishing B2Band B2C, Events, Contract publishing and Media sales.

The aims have been to expand the portfolios of owned media to include digital media, awards, conferences and exhibitions, increase the margins of contract sales and contract publishing by focusing on high value clients and create market sector focus.

Publishing (owned assets) promotes *Strength in Markets* and supplements its own brands and products with those owned by clients and managed under contract. Since the second half of the year a significant amount of non-profitable accounts have been dropped allowing the sales resource to be utilised more effectively and concentrate on high margin contracts. This is still work in progress. Digital media has been a strong area of growth which has seen many of our client's digital infantry increase and is a sector the unit plans to develop further.

Grove House Publishing is the main focus for owned media in the Human Health, Animal Health, Land and Farming and Heritage sectors. In the North the main emphasis is on Build, Energy, Freight and Business whilst Atalink will concentrate on Consumer and Defence and will include media sales following the centralisation of media sales expertise during the year.

Overall, the positive refocus of this unit is due to the considerable restructuring activity undertaken over the last two years and the unit's response to the challenging economic environment. This has inevitably had an adverse impact on the results for the year as it breaks from its past legacy.

Publishing	2013	2012
Revenue	£17.19m	£23.92m
EBITDA*	£(2.34)m	£0.63m
EBIT**	£(3.84)m	£(1.47)m
Underlying EBITDA	£(0.87)m	£1.87m
*Provisions	£(1.15)m	£(0.62)m
**Reorganisation Costs	£(0.38)m	£(1.1)m

The division achieved revenues from continuing operations of £17.19m (2012: £23.92m) and an EBITDA loss of £(2.34)m (2012: profit of £0.63m) after the provisions of £1.15m (2012: £0.62m). EBIT was a reported loss of £(3.84m) (2012: loss £(1.47)m) after depreciation charge of £0.17m (2012: £0.16m) and amortisation of £0.94m (2012: £0.85m).

There has and will be a constant drive for new business opportunities. Organic growth is being driven by a number of initiatives including IT Elite a publication and web site for the IT sector. The unit is developing awards in conjunction with its Broadcasting Division and looking to expand its range of products in areas in which it believes it has a market advantage or expertise in such as Vet Marketing Awards, Primary Care Today Forums, Primarycare.uk.org and Food Freight Awards. Atalink's media portfolio with Hearst UK saw the selling of digital products on their flagship website www.Allaboutyou.com.

Further budgeted initiatives that are in the process of being presented to market include SQP conferences and the Cream awards which are being developed into a broader exhibition/Awards/conference event. The introduction of tablet digital media is currently being rolled out to supplement the unit's substantial number of web sites.

CSR

This unit houses DBDA, our award winning CSR consultancy firm. DBDA specialises in creating strategies, programmes, campaigns and resources for blue chip corporates, charities and government departments, targeting the sectors of education, safety and health.

These creative campaigns are delivered through a variety of platforms including print, events, video and more notably through a range of online and digital application based formats. The move from the Harrow office to the Group's Central London office in December 2012 has been beneficial, not only in raising their profile and reputation, but also for the staff of DBDA.

The stated KPIs for this unit were a return to profitability, increase revenue from private sector clients, and expansion of its own intellectual property in to revenues generating concepts. On most counts the unit has achieved the KPIs but it still has a long way to go to redress the imbalance between public and private sector revenue. The same KPIs are being set for the new financial year.

Current order book as at 31 May 2013 is c£1.4m and represents 64.8% of reported revenues for 2013. Revenues were up by 23.42% to £2.16m (2012: £1.75m) with EBITDA of £0.05m (2012: loss of £(0.36)m) after the provision for an onerous contract of £0.14m (2012: £Nil). As stated previously, head count has been significantly reduced as the unit adopts a more freelance model going forward. This is a good result for the unit from which it can build.

CSR	2013	2012
Revenue	£2.16m	£1.75m
EBITDA*	£0.05m	£(0.36)m
EBIT**	£(0.24)m	£(1.71)m
Underlying EBITDA	£0.29m	£(0.36)m
*Provisions – onerous contract	£(0.14)m	£Nil
**Amortisation and Impairment	£(0.24)m	£(1.36)m

DBDA's partnership relationship with Siemens continues to deepen. The education portal (www.siemenseducation.co.uk) has been widely acclaimed as a global flagship project leading to introductions in China, USA and South Africa augmenting the continued feed of government referrals. Collaboration with BMW to develop a unique 3D gameplay proposition to engage students in the manufacturing industry is underway, opening the doors to further opportunities.

Nationwide's popular Green Home Guide (<http://www.nationwideeducation.co.uk/sustainability-education/green-guides-suite/green-guide/index.php>) was re-launched and is now tablet and smartphone friendly, bringing the number of Home and Money Guides to nine. Nationwide Education's comprehensive employee portal (<http://www.nationwideeducation.co.uk/nwemployees/pages>) is now finished, offering comprehensive support to staff volunteers, including engaging animations.

The Children's Traffic Club (www.childrenstrafficclub.com) new digital product, together with an accompanying website and online membership facility has had huge interest since its launch in September 2012. After running the Club for over 10 years in London membership has reached an impressive 75% uptake of 3-4 year olds across the capital.

PLC

The Group has simplified its management structure and restructured its finance function during the year. As a consequence the senior management team comprises of four (4) (2012: 7) and finance of fourteen (14) (2012: 19) across the Group.

With the departure of three senior management members we shall see significant overhead reductions from 2013 onwards. Plc costs for the year end at EBITDA level were £0.93m (2012: £1.1m) and at operating loss level they were £3.97m (2012: £1.16m) reflecting share based payments of £0.16m (2012: £Nil) and impairment charge of £3.18m (2012: £Nil).

Plc	2013	2012
Revenue	-	£0.08m
EBITDA	£(0.93)m	£(1.10)m
EBIT*	£(3.97)m	£(1.16)m
Underlying EBITDA	£(0.77)m	£(1.10)m
*Reorganisation Costs	£(0.01)m	£(0.04)m
*Impairment Charge	£(3.18)m	£Nil

Peter Bertram - Chairman

FINANCIAL REVIEW

This has been a challenging but transformative year for the Group. Its Integrated Services division has broken from its past legacy with clear management structure and KPIs going forward. The Group has also completed some major disposals and reorganisations with a reduced finance team going forward.

In late March 2013 the Group raised gross proceeds of approximately £1m via the issuance of 24.125m shares at 2p to certain existing investors and loan notes of £0.59m.

Revenue from continuing operations was down 19.14% to £27.64m (2012: £34.18m) and gross profit decreased by 27.03% to £8.11m (2012: £11.12m). The main variance came in the publishing unit which saw revenues decrease by £6.73m year on year.

Gross margin decreased from 32.5 % to 29.3% in the year, with adjusted operating expenses, after deducting non- recurring items of £1.44m (2012: £0.62m), which represented 33.9% of revenues (2012: 31.4%). This is a consequence of significant restructuring undertaken by the Group over the last three years. The aim over the period has been to move from a fixed base cost to a more flexible model. The charge for reorganisation and restructuring was £0.46m (2012: £1.24m). The reduced charge reflects the Group's statement that planned reorganisations and restructure have now been implemented.

The Group has shown the underlying EBITDA to be at £(1.11)m (2012: £(0.24)m) to give a clearer comparison when non- recurring costs have been adjusted for. Adjusted EBITDA or headline profit, a key performance indicator used by the board, was a loss of £2.71m (2012: loss of £0.24m). Operating loss increased to £7.64m (2012: loss of £3.94m) after an impairment charge of £3.18m (2011: £0.98m) and net amortisation charge of £1.04m (2012: £1.22m). The Group also recognised a gain on the extinguishing of bank debt of £Nil (2012: £1.02m) and is shown as finance income.

As the Group made losses for the year ended 31 March 2013 there was no corporation tax charge in the year. However, the Group increased the deferred tax asset by £0.23m to £0.74m (2012: £0.51m).

Discontinued operations relate to the units of publishing which were all closed during the year and the disposal of Ten Alps Asia Holdings, Below the Radar and Agency Assets (which occurred after the year end). The results for the year include a loss on discontinued operations of £0.73m (2012: loss of £0.91m).

Non-Controlling Interests

Minority interests in the primary statements reflect our partner interest via Ten Alps Communications Asia Pte Ltd (35%) which was disposed of in July 2012. The balance was a loss of £0.09m (2012: profit of £0.01m).

Earnings per share

Basic and diluted loss per share from continuing operations in the year was 3.15p (2012: loss 2.34p) and was calculated on the losses for the year attributable to Ten Alps shareholders of £2.96m (2012: loss £0.50m) divided by the weighted average number of shares in issue during the year being 243,664,300 (2012: 132,541,012).

Effectively all share options at 31 March 2013 were 'under water' and, therefore, deemed non- dilutive.

Statement of Financial Position

Assets

The Group's yearly review of goodwill has resulted in an impairment charge of £3.18m in the publishing unit. The impairment is due to the carrying amount exceeding the 'recoverable amount' as new forecasts and

assumptions have been applied in light of current year results and reflecting the reorganisations, restructuring and disposals completed within the unit during the year. Following the review, the Group is carrying a goodwill asset of £6.9m (2012: £10.4m). Other intangibles totalled £0.41m (2012: £1.65m).

Inventories and trade receivables have decreased by £4.02m to £6.54m (2012: £10.56m) reflecting the impact of the disposals in the year and a receivables review which resulted in the provision of specific amounts of £0.68m (2012: £0.62m).

The Group had a cash balance of £3.13m as at 31 March 2013 (2012: £2.86m). The balance is £0.3m higher than last year, reflecting the movement in working capital, restructuring costs, actual finance expenses incurred in the year and the late refinance of approximately £1m.

Total assets for the Group were £19.05m (2012: £29.58m) with the main movements being goodwill and working capital assets and losses incurred in the year.

Equity and Liabilities

On 25 April 2012, the Company issued 120,000,000 ordinary shares at a price of 2.5p per share to institutional and ordinary investors.

On 28 March 2013, the Company issued 24,125,000 ordinary shares at a price of 2p per share to institutional and ordinary investors.

Consequently called up share capital at the year end was £5.53m (2012: £2.65m) and the share premium was £15.23m (2012: £14.63m).

Retained losses as at 31 March 2013 were £20.29m (2012: losses: £12.04m) and total shareholders' equity at that date was £1.16m (2012: £5.95m).

At the year end, the Group had an outstanding debt facility of £6.87m (2012: £8.54m). The borrowings are split into three categories. The unsecured debt facility of £4.32m (2012: £4.28m), secured loan notes of £2.36m (2012: £1.84m) and unsecured loan notes of £0.19m (2012: £Nil). The debt facility is due in February 2016 and the loan notes in March 2016 with no mandatory repayments on either amounts until the due dates.

Current liabilities consisting of trade and other creditors have decreased by £3.76m to £11.01m (2012: £14.77m). Deferred income of £2.59m (2012: £3.94m) has decreased due to disposals in the year and clients paying later which has had an impact on the cash balance at the year end. Overall the net current liabilities reduced from £0.9m to £0.34m at the year end.

The Group has provided for deferred consideration of £0.01m (2012 £0.2m) on the balance sheet of which £Nil (2012: £0.1m) is due after more than one year. The amounts relate to earn out payments due on the acquisition of Grove House Publishing.

Post Balance Sheet Event

As mentioned above subsequent to the year end, the Agency asset in the Integrated Services division was disposed of.

Nitil Patel- Chief Financial Officer

Ten Alps Plc
Extracts from report and accounts 2013

Consolidated income statement

Note	Year ended 31 March 2013 £'000	Year ended 31 March 2012 £'000
Continuing Operations		
	Revenue	34,183
	27,641	
	Cost of Sales	(23,075)
	(19,535)	
	Gross Profit	11,108
	8,106	
	Operating expenses before restructuring costs, depreciation, amortisation and impairment	(11,343)
	(10,818)	
	Adjusted EBITDA	(235)
	(2,712)	
	Restructuring costs	(1,240)
	(461)	
	Depreciation	(264)
	(254)	
	Amortisation and impairment of intangible assets	(2,201)
	(4,217)	
	Operating loss	(3,940)
	(7,644)	
	Finance costs	(718)
	(359)	
	Finance income	1,023
	1	
	Loss before tax	(3,635)
	(8,002)	
	Income tax (expense)/credit	551
	230	
	Loss for the year	(3,084)
	(7,772)	
	Discontinued operations	
	Loss for the year from discontinued operations	(912)
	(727)	
	Loss for the year	(3,996)
	(8,499)	
	Continuing operations attributable to:	
	Equity holders of the parent	(3,095)
	(7,685)	
	Discontinued operations attributable to:	
	Equity holders of the parent	(912)
	(727)	
	Non-controlling interest	11
	(87)	
	(8,499)	(3,996)
	Basic earnings per share	
	From continuing operations	(2.34)p
4	(3.15)p	
	From discontinued operations	(0.69)p
4	(0.26)p	
	Total	(3.03)p
	(3.41)p	
	Diluted earnings per share	
	From continuing operations	(2.34)p
4	(3.15)p	
	From discontinued operations	(0.69)p
4	(0.26)p	
	Total	(3.03)p
	(3.41)p	

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

Consolidated statement of comprehensive income

	Year ended 31 March 2013 £'000	Year ended 31 March 2012 £'000
Loss for the period	(8,499)	(3,996)
Other comprehensive income		
Foreign investment translation differences	(14)	9
Total comprehensive income for the period	(8,513)	(3,987)
Attributable to:		
Equity holders	(8,426)	(3,998)
Non-controlling interest	(87)	11
	(8,513)	(3,987)

Consolidated statement of financial position

	Note	As at 31 March 2013 £ '000	As at 31 March 2012 £ '000
Assets			
Non-current			
Goodwill and intangibles	3	7,305	12,053
Property, plant and equipment		331	717
Deferred tax		742	511
		8,378	13,281
Current assets			
Inventories		1,710	1,743
Trade receivables		4,828	8,816
Other receivables		1,001	2,872
Cash and cash equivalents		3,130	2,864
		10,669	16,295
Total assets		19,047	29,576
Equity and liabilities			
Shareholders' equity			
Called up share capital	5	5,534	2,651
Share premium account	5	15,228	14,630
Merger reserve		696	696
Exchange reserve		-	14
Retained earnings		(20,294)	(12,041)
Total shareholders' equity		1,164	5,950
Non-controlling interest		-	199
Total equity		1,164	6,149
Liabilities			
Non-current			
Borrowings		6,872	6,117
Other non-current liabilities		-	114
		6,872	6,231
Current liabilities			
Trade payables		4,959	6,572
Other payables		6,052	8,172
Current tax liabilities		-	28
Borrowings – current		-	2,424
		11,011	17,196
Total equity and liabilities		19,047	29,576

Consolidated statement of cash flows

	Year ended 31 March 2013 £ '000	Year ended 31 March 2012 £ '000
Cash flows from operating activities		
Loss for the period	(8,499)	(3,996)
Adjustments for:		
Income tax expense/(credit)	(230)	(551)
Depreciation	317	452
Amortisation and impairment of intangibles	4,271	2,610
Finance costs	359	717
Finance income	(1)	(1,029)
Share based payment charge	159	55
Loss on disposal of subsidiaries	255	-
Loss on revaluation of deferred consideration	-	17
Loss on sale of property, plant and equipment	104	148
	(3,265)	(1,577)
(Increase)/decrease in inventories	(240)	1,211
Decrease in trade and other receivables	4,305	2,092
Decrease in trade and other payables	(2,118)	(3,436)
Cash used in operations	(1,318)	(1,710)
Finance costs paid	(196)	(724)
Finance income received	3	12
Tax refunded/(paid)	-	163
Net cash flows used in operating activities	(1,511)	(2,259)
Investing activities		
Disposal of subsidiary undertakings, net of cash and overdrafts acquired	368	-
Payment of contingent consideration	(126)	(112)
Purchase of property, plant and equipment	(118)	(163)
Proceeds of sale of property, plant and equipment	15	35
Purchase of intangible assets	-	(55)
Development of websites	-	-
Net cash flows used in investing activities	139	(295)
Financing activities		
Issue of ordinary share capital	1,061	-
Borrowings repaid	-	(1,500)
Borrowings received	592	2,620
Capital element of finance lease payments	(4)	(5)
Dividends paid to minority interests	-	(185)
Net cash flows from financing activities	1,649	930
Net increase/(decrease) in cash and cash equivalents	277	(1,624)
Translation differences	(11)	3
Cash and cash equivalents at 1 April	2,864	4,485
Cash and cash equivalents at 31 March	3,130	2,864

Consolidated statement of changes in equity

	Share capital £000	Share premium £000	Merger reserve £000	Exchange reserve £000	Retained earnings £000	Total attributable to equity shareholders £000	Non- controlling interest £000	Total equity £000
Balance at 1 April 2011	2,651	14,630	696	5	(8,089)	9,893	371	10,264
Loss for the year	-	-	-	-	(4,007)	(4,007)	11	(3,996)
Other comprehensive income								
Translation differences	-	-	-	9	-	9	2	11
Total comprehensive income	-	-	-	9	(4,007)	(3,998)	13	(3,985)
Equity-settled share-based payments	-	-	-	-	55	55	-	55
Dividends paid	-	-	-	-	-	-	(185)	(185)
Shares issued	-	-	-	-	-	-	-	-
Balance at 31 March 2012	2,651	14,630	696	14	(12,041)	5,950	199	6,149
Balance at 1 April 2012	2,651	14,630	696	14	(12,041)	5,950	199	6,149
Loss for the year	-	-	-	-	(8,412)	(8,412)	(87)	(8,499)
Other comprehensive income								
Translation differences	-	-	-	(14)	-	(14)	-	(14)
Total comprehensive income	-	-	-	(14)	(8,412)	(8,426)	(87)	(8,513)
Equity-settled share-based payments	-	-	-	-	159	159	-	159
Disposal of non-controlling interest	-	-	-	-	-	-	(112)	(112)
Dividends paid	-	-	-	-	-	-	-	-
Shares issued	2,883	598	-	-	-	3,481	-	3,481
Balance at 31 March 2013	5,534	15,228	696	-	(20,294)	1,164	-	1,164

Notes to the consolidated financial statements

1) ACCOUNTING POLICIES

1.1) General Information

Ten Alps plc and its subsidiaries (the Group) is a multi-media Group which produces high quality TV and radio together with integrated publishing and communications content.

Ten Alps plc is the Group's ultimate parent and is a public listed company incorporated in Scotland. The address of its registered office is 7 Exchange Crescent, Conference Square, Edinburgh EH3 8AN. Its shares are traded on the AIM Market of the London Stock Exchange plc (LSE:TAL).

These consolidated financial statements have been approved for issue by the Board of Directors on 20 June 2013.

1.2) Basis of Preparation

The Group's accounting policies are consistent with those applied in the year to 31 March 2012, amended to reflect any new standards. The adoption of new standards in the year has not resulted in a significant impact to the group's accounting policies. The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU) and the Companies Act 2006 applicable to companies reporting under IFRS.

The financial information contained in this document does not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006. The consolidated statement of financial position as at 31 March 2013 and the consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of changes in shareholders' equity and associated notes for the year then ended have been extracted from the Group's 2013 statutory financial statements upon which the auditors' opinion is unqualified, and does not include any statement under Section 498 (2) or (3) of the Companies Act 2006.

The financial information relating to the year ended 31 March 2013 has not yet been filed with the Registrar of Companies. Copies of the Company's Annual Report and Accounts for 2013 will be sent to shareholders as soon as practicable and will also be made available on the Company's website. The Annual General Meeting of the Company will be convened at 9:30am, on 29 August 2013, at Tower Bridge House, St. Katherine's Way, London, E1W 1AA.

2) DISCONTINUED OPERATIONS

During the year ended 31 March 2013, two cash generating units were disposed of: Ten Alps Communications Asia unit (consisting of the following legal entities: Ten Alps Asia Holdings Pte Limited and Ten Alps Communications Asia Pte Limited) in the Publishing unit and Below the Radar Limited in the TV division. The Edinburgh office was closed as part of the on-going Publishing units overall Group restructuring.

Subsequent to the year ended 31 March 2013, the Agencies cash generating unit in the Publishing unit was disposed of. All three units disposed of were not considered part of the core operating business of the Group.

During the year ended 31 March 2012, four cash generating units, Education Digital 2 Limited, Ten Alps Asia Limited and the Publishing units in Newcastle and Belfast, have ceased operations. Education Digital 2 Limited ceased trading due to the loss of the Teachers TV contract. Ten Alps Asia Limited was closed as it was a loss making unit. The Newcastle and Belfast business units were closed as part of the Publishing units overall Group restructuring. Analysis of the result of the discontinued operations is as follows:

Notes to the consolidated financial statements

	2013 £'000	2012 £'000
Revenue	6,954	9,638
Cost of sales	(5,264)	(5,872)
Gross Profit	1,690	3,766
Operating expenses	(2,030)	(3,589)
Reorganisation and restructuring costs	(282)	(547)
Depreciation	(117)	(596)
Operating loss	(739)	(966)
Finance income	2	6
Loss before tax	(737)	(960)
Taxation	10	48
Loss for the year from discontinued operations	(727)	(912)

The net cash flows attributable to the discontinued operations are as follows:

	2013 £'000	2012 £'000
Operating cash flows	(872)	417
Investing cash flows	(72)	16
Financing cash flows	-	-
Total cash flows	(944)	433

3) INTANGIBLE ASSETS

	Goodwill £'000	Customer Relationships £'000	Magazin e titles £'000	Custome r Contract s £'000	Websites £'000	Total £'000
Cost						
At 1 April 2011	26,009	3,818	1,742	116	1,367	33,052
Internal development	-	-	-	55	-	55
Revaluation of contingent consideration	-	-	-	-	-	-
Disposals & retirements	-	-	-	-	(57)	(57)
Exchange movements	4	-	11	-	-	15
At 31 March 2012	26,013	3,818	1,753	171	1,310	33,065
Additions	-	-	-	-	-	-
Internal development	-	-	-	-	-	-
Revaluation of contingent consideration	-	-	-	-	-	-
Disposals & retirements	(351)	-	(651)	-	-	(1,002)
Exchange movements	-	-	16	-	-	15
At 31 March 2013	25,662	3,818	1,118	171	1,310	32,079
Amortisation						
At 1 April 2011	(14,633)	(2,394)	(783)	(116)	(517)	(18,443)
Charge for the year	-	(764)	(547)	(28)	(287)	(1,626)
Impairment charge	(984)	-	-	-	-	(984)
Disposals & retirements	-	-	-	-	46	46
Exchange movements	-	-	(5)	-	-	(5)
At 31 March 2012	(15,617)	(3,158)	(1,335)	(144)	(758)	(21,012)
Charge for the year	-	(570)	(251)	(27)	(247)	(1,096)
Impairment charge	(3,175)	-	-	-	-	(3,175)

Notes to the consolidated financial statements

Disposals & retirements	27	-	494	-	-	521
Exchange movements	-	-	(12)	-	-	(12)
At 31 March 2013	(18,765)	(3,728)	(1,104)	(171)	(1,006)	(24,774)
Net Book Value						
At 31 March 2013	6,897	90	14	-	304	7,305
At 31 March 2012	10,396	660	418	27	552	12,053

Goodwill

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

Customer Relationships

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

Magazine Titles

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

Websites

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

Impairment Tests for Goodwill

The carrying amount of goodwill by operating segment is:

	2013	2012
	£'000	£'000
Publishing	4,399	7,659
TV	1,611	1,852
CSR	887	885
Total	6,897	10,396

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

The Group assessed whether the carrying value of goodwill was supported by the discounted cash flow forecasts of operating segment based on financial forecasts approved by management covering a seven-year period, taking in to account both past performance and expectations for future market developments. Management has used a seven year model predominately because the earn out models used on acquisitions have been based on seven year scenarios. Management estimates the discount rate using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to media businesses.

The impairment charge of £3.18m (2012: £Nil) arose in the Publishing division as a result of underperformance in all publishing units. Factors contributing to the current year's underperformance include: a worsening of the publishing market as opposed to a forecasted recovery, the disposal of non-core assets and enforcing cost-cutting measures at all levels, including senior management. Forecasts and assumptions which incorporate these factors have been used in the calculation of this year's impairment review. The TV and CSR units had no impairment in the year (CSR: 2012: £0.98m) as the carrying value was in excess of goodwill amount.

In assessing the divisions the Group reviewed the management forecasts for a projection of 2 years at 2% long term growth rate. Management believe this rate does not exceed the growth rate of the industry and the UK economy in the long term. After the 2 year period, management reflected the significant cost benefits and restructure incurred by the Group over the last three years into the forecasts and concluded that no

Notes to the consolidated financial statements

further benefit or growth rate would be applied thereafter. The management forecasts include restructurings which have been completed prior to 31 March 2013.

In evaluating the recoverable amount, we employ the discounted cash flow methodology, which is based on making assumptions and judgements on forecasts, margins, discount rates and working capital needs. These estimates will differ from actuals in the future and could therefore lead to material changes to the recoverable amounts.

TV

A pre-tax discount rate of 9.3% (2012: 9.4%) has been used. The main assumptions on which the forecast cash flows were based include revenue growth and margin growth. All key assumptions used by management within the cash flow forecasts are based on past experience, sector experience.

Publishing

A pre-tax discount rate of 9.3% (2012: 9.4%) has been used. The main assumptions on which the forecast cash flows were based include revenue growth and margin growth. All key assumptions used by management within the cash flow forecasts are based on past experience, sector experience.

CSR

A pre-tax discount rate of 9.3% (2012: 9.4%) has been used. The main assumptions on which the forecast cash flows were based include revenue growth and margin growth. All key assumptions used by management within the cash flow forecasts are based on past experience, sector experience.

Changes in these assumptions can have a significant effect on the recoverable amount and therefore the value of the impairment recognised.

Assumption	Judgements	Sensitivity
Discount Rate	As indicated above the rate used is 9.3%	A change in the discount rate of 1% would increase or decrease the pre-tax impairment recognised in the year by an overall amount of £300,000.
Growth Rate	A rate of 2% has been used for first 2 years	If 0% growth rate was applied and all benefits from the restructuring and reorganisation were eliminated then the publishing unit would be further impaired by £2.44m and CSR unit by £140,000. TV would not be impaired.
Cashflows	Cash collection is consistent with previous years with no significant bad debts being incurred due to write offs taken in the year	A 15% fall in cashflow estimates would result in a further impairment of £694,000 in the year.

4) EARNINGS PER SHARE

	2013	2012
Weighted average number of shares used in basic earnings per share calculation	243,664,300	132,541,012
Dilutive effect of share options	-	-
Weighted average number of shares used in diluted earnings per share calculation	243,664,300	132,541,012
	£'000	£'000
Loss for period attributable to shareholders	(7,685)	(3,095)
Amortisation and impairment of intangible assets adjusted for deferred tax impact	4,103	2,315
Restructuring	461	1,240
Gain on extinguishment of bank debt	-	(1,017)
Share-based payments	159	55
Adjusted loss for period attributable to equity holders of the parent	(2,962)	(502)
Loss for year from discontinued operations attributable to shareholders	(231)	(2,101)
Continuing operations:		
Basic Loss per Share	(3.15)p	(2.34)p
Diluted Loss per Share	(3.15)p	(2.34)p
Adjusted Basic Loss per Share	(1.22)p	(0.38)p
Adjusted Diluted Loss per Share	(1.22)p	(0.38)p
Discontinued operations:		
Basic Loss per Share	(0.26)p	(0.69)p
Diluted Loss per Share	(0.26)p	(0.69)p

5) SHARE CAPITAL

	2013			2012		
	Shares	Share capital £'000	Share premium £'000	Shares	Share capital £'000	Share premium £'000
Authorised ordinary shares of 2p each	No Maximum	N/A		No maximum	N/A	
Allotted, called up and fully paid ordinary of 2p each:						
At start of year	132,541,012	2,651	14,630	132,541,012	2,651	14,630
Shares issued as consideration	-	-	-	-	-	-
Shares issued as remuneration	7,050,000	256	35	-	-	-
Shares issued as private placement	137,075,000	2,627	563	-	-	-
At end of year	276,666,012	5,534	15,228	132,541,012	2,651	14,630