BrainJuicer Group PLC
Annual Report and Accounts 2014
Registered Number 05940040

INDEX

Highlights

GROWTH

- 1% revenue growth to £24.65m (2013: £24.46m)
- 5% revenue growth in constant currency
- 21% growth in operating profit to £4.30m (2013: £3.55m)
- 21% increase in profit before tax to £4.29m (2013: £3.56m)
- 14% growth in fully diluted earnings per share to 21.3p (2013: 18.7p)

CASH RETURNED TO SHAREHOLDERS

- Paid special dividend of 12.0p in May 2014 (£1.51m)
- Paid 2013 final dividend of 3.0p in May 2014 (£0.38m)
- Paid 2014 interim dividend of 1.0p in November 2014 (£0.13m) up from 0.9p in 2013
- Returned £1.94m of capital via share buy-backs and cash settled management equity awards
- Propose 3.3p final 2014 dividend (£0.42m) up from 3.0p in 2013

NET CASH

- Cash of £5.35m as at 31 December 2014 (31 December 2013: £6.19m)
- No debt

Chairman's Statement

2014 has been another successful year for BrainJuicer in most regards. Although revenue increased by only 1%, to £24.65m, the increase at constant exchange rates was 5%. Overheads were well controlled, and after a lower bonus pool than in 2013 and a modest charge for share based payments, pre-tax profits were 21% up on the prior year at £4.29m. Fully diluted earnings per share increased by 14% to 21.3p. As in previous years, this progress resulted entirely from organic growth within the business.

The Board is proposing to pay a final dividend of 3.3p per share, an increase of 10% over the comparable 2013 payment. This would take the full year ordinary dividend pay-out to 4.3p (£0.54m, an increase of 11%). In addition, a special dividend of 12.0p per share was paid to shareholders in May 2014.

In total, we returned over £3.95m of capital during 2014 via dividends, share buy-backs and cash settled management equity awards. Reflecting strong cash generation, which has always been a striking feature of our business, BrainJuicer ended 2014 with a substantial cash balance of £5.35m, equivalent to 41p per share and only £0.84m lower than at the end of 2013. BrainJuicer has no debt.

John Kearon, our Chief Executive or "Chief Juicer", and James Geddes, our Chief Financial Officer, will review BrainJuicer's progress in 2014 from their perspective in the sections which follow this Chairman's Statement. From my vantage point, and despite modest revenue growth, I have been encouraged to see BrainJuicer further strengthening its underlying position within the market research industry.

For example, we once again strengthened our relationship with a number of the world's largest consumer-goods companies; revenue from our core (and overwhelmingly "Juicy") quantitative products increased by 4%; and our business in the US (the world's largest market for market research) grew revenue by 6% (and gross profit by 11%).

We remain fully committed to delivering growth, and creating further value, over the medium and longer term. Experience has taught us that winning "mandates", or "preferred supplier" status, does not always give rise to an immediate or significant increase in revenue from the client in question. We will nonetheless continue to pursue such opportunities – not least because winning them delivers further valuable endorsement for our behavioural science-based methodology. We will try to generate growth from the introduction of new variants of some of our established products, and potentially also from acquisitions when we are convinced they will create value for BrainJuicer shareholders.

Recent or impending developments within the business have been made with this growth agenda firmly in mind. For example, Alex Hunt and Mark Johnson have been appointed to the newly created positions of Head of the Americas and Head of UK and Continental Europe respectively; we have introduced a more structured graduate recruitment and development programme in the UK and will be doing the same in New York; and we are preparing to move our HQ to larger offices in London during 2015.

Finally, and as BrainJuicer celebrates its 15th birthday, I would like to extend my thanks to all of our employees around the world for their hard work, determination, and camaraderie during what was yet again a good year for the business.

KEN FORD
Chairman
19 March 2015

15 YEARS OF PIONEERING

The 15th of January 2015 marked BrainJuicer's 15th birthday and a good moment to take stock of the past and explore what the future may hold.

Since 2000, the research industry has changed more than anyone thought likely and BrainJuicer has been at the heart of many of those changes. In 2015, the industry finds itself in a genuine state of flux, from overly-rational approaches to more emotional measures and models – a change which BrainJuicer is extremely well positioned to take advantage of. And perhaps the biggest change is yet to come. A change from market research being merely an insurance policy (preventing marketing follies) to finally becoming an *enabling policy* (driving famous marketing) – a model that BrainJuicer has championed for many years. This change in industry purpose, from prevention to promotion, is something BrainJuicer intends to be a major beneficiary of, as helping marketers do famous things becomes the norm in years to come.

Fifteen years ago, BrainJuicer was one of the first online research agencies, at a time when many heads of research at major multinationals refused to accept that online would become mainstream. Online now accounts for over 60% of all quantitative research worldwide. BrainJuicer was also the first agency to invent, trademark and patent a method of capturing qualitative open-ended answers and self-structuring them to show what large numbers of people think-and-feel about any subject. The MindReader® is still a vital component in BrainJuicer research projects and much loved by our clients.

In 2005, BrainJuicer was the first agency for decades to introduce a wholly new method for predicting the success of new product concepts. 'Predictive Markets' broke every golden rule of concept testing by utilising the wisdom of crowds to better identify winners from losers. It turns out, we're better at predicting what other people will do than we are at predicting our own behaviour. That controversial truth has now successfully been applied to over 40,000 new product concepts for many of the world's largest companies. These companies have enthusiastically adopted its predictive power and made it BrainJuicer's biggest selling and Juiciest product.

In 2006, BrainJuicer invented, validated and trademarked the first quantitative measure of emotion. FaceTrace® is now the world's most deployed measure of emotion, having been used over 5 million times with over 3 million respondents and has joined the MindReader® as a vital component in BrainJuicer research projects. Since 2009, it has also been the key measure in BrainJuicer's emotional advertising testing product, ComMotion®. As controversial now as Predictive Markets was when launched, ComMotion® is rapidly gaining a reputation for helping clients and agencies produce famous advertising campaigns. In just the last three years, ComMotion® has been instrumental in the success of some of the most famous advertising on both sides of the Atlantic; the John Lewis Christmas adverts, including the most recent blockbuster, Monty the Penguin, 3 Mobile's Moonwalking Pony and Singing Kitty and Guinness' Wheelchair Basketball advert. To highlight our ability to measure and predict famous advertising, we have launched the Global FeelMore50™ – an annual league table of the best adverts from around the world.

For the last few years, BrainJuicer has been a pioneering and vocal advocate of applying behavioural science to marketing and switching clients from over-rational research to our more emotional, intuitive research, that better predicts famous marketing. The changes to the way marketing should be practiced and measured are profound. Here are just three examples of how it changes current marketing practice:

- Seduction – not persuasion – is the swiftest route to fame and fortune;
- Penetration – not loyalty – drives growth;
- Universal human truths [UHT's] not unique selling propositions [USP's] are the basis of great advertising.

The more poetic versions can be found in the illustrated Birthday booklet we published: *The 15 Things Every Modern Marketer Should Know About Famous Brand Building*.

Our staff are dedicated and bright, our geographic footprint is global, we continue to win mandates from the world's largest companies and we have established a reputation as the 'Most Innovative' agency – as voted by clients and peers, for the last three years running in the GreenBook *GRIT Report*.

Our revenue growth in 2014 was disappointing, but changing habits and beliefs takes time. With vision, skill, patience and creativity, it's possible and it's happening at some of the world's largest companies. Where they lead, others will follow.

The more we help clients achieve famous marketing and accelerate their brand growth, the faster research habits will change and the more we'll find our services in demand around the world.

JOHN KEARON
Chief Juicer
19 March 2015

Business and Financial Review

We have continued to develop the business, and despite the modest growth in revenue, have also generated strong profit growth and cash flow. Revenue grew 1% in 2014 over the prior year (5% in constant currency), but profit before tax increased 21% and the business turned more than 100% of its profit after tax into operating cash flow. We returned over £3.95m of capital in dividends, share buy-backs, and cash settled management equity awards, and still ended the year with cash of £5.35m (compared to £6.19m at the end of 2013) and we continue to have no debt.

We have previously claimed that, unusually, our business has both high growth and strong cash flow characteristics. This claim is based on a large addressable market within our multinational client base, our relatively unique positioning, simple and efficient operational processes which we can scale, and only minimal capital investment requirements.

IN 2014 WE GENERATED PLENTY OF CASH. WHAT ABOUT THE REVENUE GROWTH?

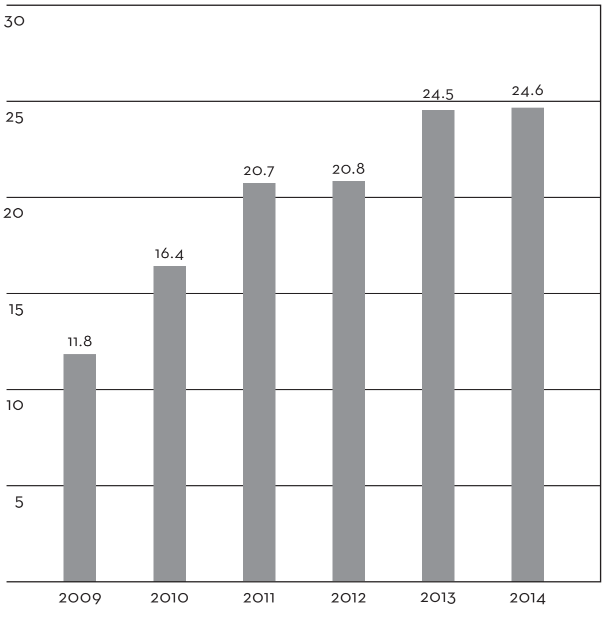
Firstly, we did grow. Revenue from our core quantitative services, making up 88% of our business, grew 4% (8% in constant currency). It is these services that we can scale and that we are relying on for our on-going growth, and which therefore provide the best indicator of progress. Juice Generation services, making up 10% of our business is more volatile and they declined 28%, which reduced our overall revenue growth to the 1% level.

Juice Generation projects are often interesting and strategically important for clients, and the size of individual projects can be large. The flow of work is however particularly lumpy. Sometimes that works in our favour, but in 2014 it didn't. Nevertheless, the revenue from Juice Generation isn't a particularly good indicator of the value of this part of our business. Its main purpose is to forge deeper relationships with senior marketing people within client organisations and, obliquely at least, support the growth of our more scalable and higher margin quantitative services.

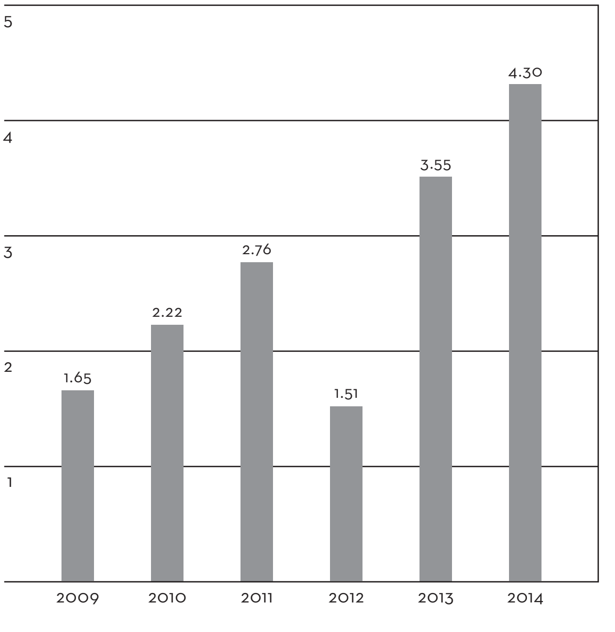
Secondly, we made inroads into some very large clients. One of our main objectives over the last few years has been to win mandated and preferred supplier positions within our large clients. A mandate is where a client nominates one or more suppliers to do all of a certain type of its research on an on-going basis and they can be worth several million pounds in revenue per year, if not more. During 2014, we won two such opportunities, one of which was for one of the very largest buyers of market research and advertising in the world.

However in neither case have we yet experienced the increase in revenue we were anticipating. Nevertheless, we value the endorsement from these wins and we still expect the accounts to grow, but perhaps not with the immediacy that we had previously assumed. So we will continue to seek them but will not rely on them.

REVENUE (£m)
For the Year Ended 31 December



OPERATING PROFIT (£m)
For the Year Ended 31 December



HOW THEN DO WE VIEW OUR PROSPECTS?

Notwithstanding continued forward momentum, our revenue growth has slowed of late. Rather than high growth and strong cash flow, we should perhaps re-articulate our business as one with *moderate* growth, strong cash flow, and high optionality potential.

We have few weak links: client feedback continues to be positive, our distinctive behavioural science based offerings continue to gain credence, and our staff feedback continues to indicate high levels of satisfaction. We have what we believe is one of the largest normative databases of emotional metrics in the world. These databases are what research firms use to calibrate the results of their surveys, and they take many years to build and have significant value. We are also continuing to evolve our Juicy products, by making them more robust and accessible through lower cost, more automated variants.

In this way, we envisage continuing to grow steadily and at the same time we remain confident that at some point we will break through in a more substantial way within some of our large clients.

THREATS

The main foreseeable threat to our business is the risk of large competitors embracing the new thinking from behavioural science. In our view this would require some radical changes, as, for example, it would negate the current advantage of their extensive normative databases of existing measures. Copy-cat challenges to BrainJuicer are more likely to come from smaller agencies. However, it would be hard to replicate our techniques, given the need to copy our question types (which, in some cases, have copyright protections), develop the algorithms which translate respondent feedback into meaningful scores, validate the scores, populate the normative databases, and then explain to clients why the techniques are the same as a competitor's.

Historically, the industry has tended to be slow to adopt change and we are able to move quickly, by virtue of our innovative culture and relatively small size. We are continuing to invest in our product development (Labs) function, behavioural science unit and Juice Generation team, all of which will continue to fuel our on-going developments. We are also finding organisations emerging with interesting techniques, and may consider acquisition targets where they complement our offerings.

So whilst we respect the size, geographic coverage and professionalism of our competitors, we remain confident in our business too.

FINANCIAL PERFORMANCE

As always our profit and loss account is straightforward. Revenue grew 1% from £24.46m to £24.65m (5% at constant currency) and gross profit 2% from £19.09m to £19.41m. The adverse effect of currency movements on our top line had a favourable effect on our administrative costs, which, together with a lower bonus, resulted in a decline of 3%. The small increase in gross profit and decrease in administrative cost caused our operating profit to increase by 21%.

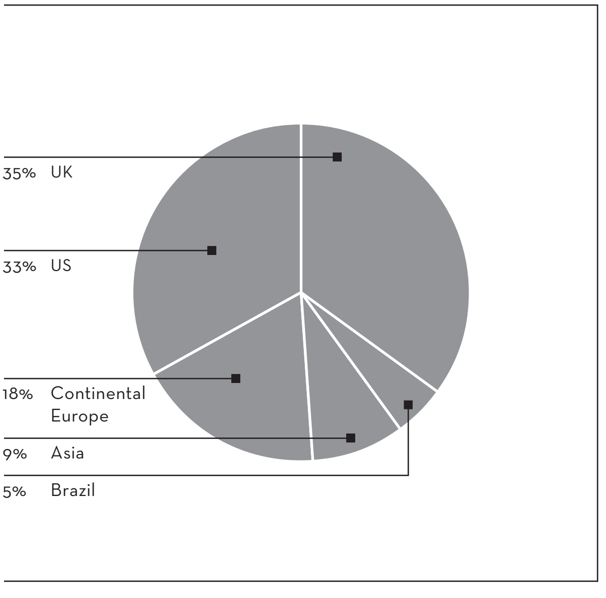
While we are always cost conscious, the decline in administrative costs was not reflective of any specific cost-cutting drive on our part. In fact, average headcount *increased* 10%, from 138 to 152 people. Average pay per person decreased, in part due to the lower bonus and currency movements, and in part due to a higher percentage of more junior people as we flesh out our teams and develop new staff. Staff costs make up 72% of our administrative costs, and most of our other costs are correlated to staff numbers.

A notable exception is our share based payment charge, relating to employee stock options. Under IFRS, the amount charged is based on our share price amongst other factors. Therefore significant changes in our share price will make a material difference to the charge, in particular increasing the liability to social security charges. Last year the steep rise in our share price caused us to expect a corresponding increase in our share based payment charge, and we announced as much. Since then our share price has settled back and the share based payment charge reduced accordingly. The charge last year, including social security charges of £129,000 (2013: £130,000), was £196,000 (2013: £278,000).

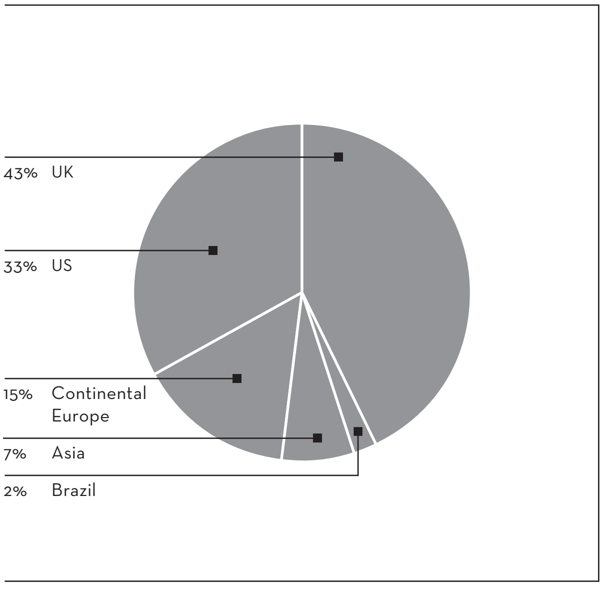
As usual, growth was organic, and there were no particularly large or unusual items. We completed 955 projects, which was 7% more than last year. Average revenue per project decreased, however, by 6% to £26,000, due to the reduction in large Juice Generation projects this year.

From a geographic standpoint, gross profit was flat in the UK, our largest market, but grew 11% in the US, our second largest market. Together our businesses in these two countries generated 68% of our gross profit and 76% of profit (before central overheads). Continental European gross profit, representing 18% of our total, fell 14%, due in large part to declines in our Swiss office, our largest in this region, where gross profit fell by 30%. We suffered sharp declines from two large Swiss clients, but we believe these were short-term dips in both cases. Historically our Swiss office has generated strong growth, which we expect to resume. Encouragingly our German office bounced back after a poor prior year, growing gross profit by 15%. In our other Continental European offices, each of which is small, we were down a little in Holland, grew well off a small base in France and declined significantly, again off a small base, in Italy. We have decided, reluctantly, to close our Italian office, and to serve our Italian clients from our UK and Swiss offices. We have accrued the costs of closure in our 2014 results. In Asia (China, Singapore and India) gross profit grew 36% (3% after adjusting for a client we reallocated from Continental Europe), and in Brazil we declined by 15% due to particularly adverse currency movements (in constant currency we declined 3%).

GROSS PROFIT (%)



OPERATING PROFIT (%)



As we note regularly, we are a capital light business, and as in previous years capital expenditure was low at only £0.27m (2013: £0.14m), and depreciation similarly low at £0.43m (2013: £0.47m). Cash flow, therefore, was again strong. Cash flow before financing was £3.16m (109% of profit after tax), and we finished the year with £5.35m of cash and no debt.

We paid dividends, including our special dividend of 12 pence per share in May 2014, and share buy-backs (including cash settled management equity awards), totalling over £3.95m.

Our effective tax rate was 32% – similar to 2013 (32%). Our effective tax rate is higher than UK corporation tax levels, in part due to higher tax rates in our overseas operations, particularly in the US. It is also due to tax inefficiencies relating to management fees chargeable by our UK parent company to our Brazilian and Chinese subsidiary companies.

We continued to purchase back most of the shares transferred to stock option holders on exercise of options, and so there was little change in the number of issued or voting shares. As a result, our basic earnings per share grew at a similar rate to profit after tax at 19%. However due to the pay-out of a long term incentive plan to management in April 2014, which was in the main in the form of stock options, diluted earnings per share grew by a slower percentage (14%). We anticipate repurchasing most of the shares arising from the exercise of these options (provided the share price at the time represents good value), which will enhance diluted earnings per share at that time.

CAPITAL ALLOCATION

We are asked from time to time about our views on capital allocation, and in particular our stance towards share buy-backs and dividends. Our natural instinct is to return all surplus cash to shareholders. We maintain sufficient cash buffers but don't hoard or look for ways to invest just because we have the cash.

We endeavour to maintain a consistent dividend policy, and set our ordinary interim and final dividends at a conservative percentage of earnings per share. We return surplus cash over and above ordinary dividends by way of share buy-backs when the price is attractive, and subject to practical considerations. Otherwise we return these surpluses by way of special dividends.

Our proposed final 2014 dividend of 3.3p takes our ordinary interim and final dividends for 2014 to 4.3p in aggregate, which represents 19% of basic earnings per share.

SUMMARY

In summary, the Company is a resilient profit and cash flow generator, with a distinctive positioning in our world of market research. Growth was slower in 2014 than we would have hoped, but we continue to believe in the upside potential of the business.

We will continue developing the business as we have been, and in this way, will continue to build what some call the moat, or competitive advantage, protecting our business. The more projects we undertake, the more our normative database of emotional metrics will grow, the greater the validation of our solutions, the more credible and valuable our solutions will become. The more we hone our techniques and expand their applicability, the more difficult they will be to replicate. The longer we work for our large clients, the more we will demonstrate the value of our research, and the closer the relationships we will forge. The more we recruit at entry level and promote and develop from within the more we will nurture our culture as we grow.

We expect that this will result in the business continuing to generate attractive profits and cash flow, while also continuing to create the platform needed to realise our potential – a business several times the size it is today. In terms of short-term outlook, we are optimistic about our prospects for 2015, but as always, cautious too given our limited revenue visibility.

JAMES GEDDES
Chief Financial Officer
19 March 2015

5 Year Summary
(£000s unless specified otherwise)

Year to 31 December	**2014**	2013	2012	2011	2010
Revenue	**24,645**	24,457	20,822	20,713	16,360
growth	***1%***	*17%*	-	*27%*	*38%*
Gross profit	**19,410**	19,087	16,068	16,063	12,622
growth	***2%***	*19%*	-	*27%*	*41%*
Operating profit	**4,301**	3,550	1,513	2,758	2,216
growth	***21%***	*135%*	*-45%*	*24%*	*35%*
Pre-tax profit	**4,286**	3,556	1,515	2,760	2,217
growth	***21%***	*135%*	*-45%*	*24%*	*34%*
Post-tax profit	**2,897**	2,435	1,038	1,850	1,480
growth	***19%***	*135%*	*-44%*	*25%*	*25%*
EPS – diluted	**21.3p**	18.7p	7.9p	14.1p	11.3p
growth	***14%***	*137%*	*-44%*	*25%*	*26%*
Cash flow pre financing	**3,157**	4,466	866	1,446	1,784
Cash balance (no debt)	**5,347**	6,188	3,755	3,683	2,770
Dividend per share (interim and final)	**4.3p**	3.9p	3.1p	3.0p	2.4p
growth	***10%***	*26%*	*3%*	*25%*	*26%*
Special dividend per share	**12.0p**	12.0p	-	-	-
Share buy-backs (net of stock option proceeds)*	**1,938**	71	408	217	1,046
Number of projects	**955**	892	794	859	745
growth	***7%***	*12%*	*-8%*	*15%*	*24%*
Average revenue per project	**25.8**	27.4	26.2	24.1	22.0
growth	**-6%**	5%	9%	*10%*	*12%*
Number of clients	**235**	224	217	199	165
growth	**5%**	*3%*	*9%*	*21%*	*18%*
Average headcount	**152**	138	148	124	91
growth	***10%***	*-7%*	*19%*	*36%*	*30%*

*2014 includes £1,239,000 for the cash-settling of part of the Company's long term incentive plan

Kudos

DON'T TAKE OUR WORD FOR IT: Here's what our clients are saying about us:

"Congratulations on your 15th! I am happy to see that BrainJuicer grew but was able to maintain the qualities that I have seen in you from the start: innovation and investment in methodologies without getting bogged down by them, but more importantly, a real pursuit for understanding your customers' issues and working them out with data and business perspective, and the realisation that it only happens when you hire capable people that work with a mission in mind, rather than people that mindlessly apply methodological solutions. The boutique mentality now in a bigger scale. I am proud to work with you, and looking forward to joining the celebrations!"

ANA KIECKBUSCH
Head of Segmentation, SABMiller plc, UK

"I clearly see BrainJuicer as an agency with a difference . . . primarily in the area of tools and techniques being flexible (and not rigid) to customize it for client needs. Many congratulations on turning 15 and all the best for your celebrations. Enjoy always."

NITESH PRIYADARSHI
CMI Director – SEAA Cluster, Unilever

"As part of our innovation workshops we have fully embraced the PM/AM tool for both its speed in providing a diagnostic dashboard for concepts within such a short space of time and for its clarity in guiding decision making for concept progression and development to next stage. The clarity of the metrics coupled with verbatims is another strong advantage, enabling clear action steps to be agreed upon by our brand teams, allowing a faster launch to market to be activated. It has added significant value to our concept development process."

GERARDO MAZZEO
Global Innovation Director, Nestlé

"BrainJuicer got us quick, detailed results allowing us to make very easy decisions around claims to prioritize for packaging and advertising, which helped us reposition our brand. The "wisdom of crowds" methodology gave us the confidence in understanding which claims were preferred. Results were simple, clean and easy to read. We were able to digest them and take immediate action."

NAOMI CODY
fomerly Senior Brand Manager, Slimfast, US

"I worked with BrainJuicer on a series of projects. I was highly impressed with the innovative methods that allow us to compare size of prize across targeted population groups and different categories; also the in-depth analysis helped us further fine tuning concepts towards a more consumer friendly direction. Plus, they're a great team and a pleasure to work with."

JOYCE LI
Marketing Director, Adult Nutrition, Abbott China

“This process helped us to shape our innovation roadmap, giving us direction and validation of concepts through a thorough and comprehensive process. The collaborative and dedicated team from BrainJuicer helped us to further craft the opportunities into actionable projects.”

AMY TAY
Global Marketing Manager, Tiger, Heineken, Asia Pac

“We have been really pleased to have BrainJuicer as a partner. They stood out in our selection process for their innovation and time-to-market with System 1 Brand Tracking. The team is a pleasure to work with and have helped us work on delivering a brand story that will have impact.”

PATRICK FINCH
Director Market Strategy, Mozilla

“At Pantene, our challenge was that we didn’t always connect with our consumers beyond their functional need. Together with BrainJuicer, the research allowed us to understand the life of our Pantene consumers more holistically and in-context, leading to the discovery of deeper emotional connections. These consumer stories and insights are now being used by our ad agency for meaningful creative development – a key output for us.”

NOELLE GALL
Senior Manager, (CMK) Grow Leadership Brands, Hair & Beauty Care EMEA, Procter & Gamble

“Congratulations on turning 15! In a competitive world, that’s quite an accomplishment, and to have done it so well is another brilliant thing. I love thinking out of the box. The tried and true are always good to have in your pocket, and I’ve always believed that the basics done well will take you further than the new thing done adequately. There are basics that BrainJuicer does especially well. Keep it simple! Make it visual! Do it efficiently! Ensure very strong people are on the task. And, take enough time with the data to really explore the findings in-depth to arrive at conclusions and new learning. BrainJuicer does these things well. Thanks for the support.”

RON GAILEY
Director, Consumer & Commercial Insights, ASEAN/Pacific Group, Coca-Cola

“I’ve been saving this quote for the right moment and it looks like it has finally arrived! John Kearon is a man truly ahead of his time. So much so that he once turned up exactly a week early for a meeting with us! Happy Birthday BrainJuicer and keep up the good work!”

PAT THOMAS
Head of Insight, Premier Foods

REVIEW OF THE BUSINESS

The business and financial review and accompanying 5 year summary (including the Company's key performance indicators) on pages 5 to 9 set out the way that management view the business, as well as its strategy, positioning, objectives and performance.

RISKS

One of our maxims is that the paradox of success is failure – and so we actively encourage our people to be bold and are risk-tolerant. Having said that, we do take risk seriously. We endeavour to identify and protect the business from the big, remote, risks – those that do not occur very often, but which, when they do, have major ramifications. The types of such event that we are concerned about and seek to manage are:

- loss of a significant client;
- loss of key personnel;
- material adverse event leading to significant loss of property, software, or data, or an adverse legal claim;
- major outage in our survey platform ('Juicing Centre').

LOSS OF A SIGNIFICANT CLIENT. This is a significant risk, and we do not take it lightly, with the percentage of business from our largest client in 2014 at 8% of revenue (2013: 9%). We therefore go to considerable lengths to monitor service quality and seek client feedback.

LOSS OF KEY PERSONNEL. The loss of a senior member of the team would have a negative impact on the business. However, we have a large senior team, which includes each of our Regional Heads, Country Managing Directors, our Head of Marketing and Business Development, our Head of Labs, as well as the COO, CFO and Chief Juicer – 19 people – and so do not view the business as being overly dependent on any one individual. As with many growing businesses, we place significant demands on our people, and we are therefore at risk of staff turnover. However the work environment is stimulating and we place emphasis on our culture and the way we work.

MATERIAL ADVERSE EVENT LEADING TO A SIGNIFICANT LOSS OF PROPERTY, SOFTWARE, OR DATA, OR AN ADVERSE LEGAL CLAIM. We can't guarantee that all eventualities are covered, but nevertheless have continued to endeavour to protect the business from significant risks, through a combination of: comprehensive professional indemnity insurance; information security, particularly with regard to client confidentiality and personal data; sufficient focus on legal protections, for example through our terms and conditions.

MAJOR OUTAGE IN OUR JUICING CENTRE. Were there to be a major outage in our Juicing Centre due, for example, to capacity constraints or a security breach, we could be prevented from building surveys, collecting data and downloading results. This may result in significant delay in delivering client projects with a consequential loss of revenue, reputational damage, and the costs of remedying the situation. We have suffered relatively minor outages from time to time, but none has led to significant financial loss.

ON BEHALF OF THE BOARD

JAMES GEDDES
Chief Financial Officer
19 March 2015

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Chairman's and CEO statements and the business and financial review on pages 2 to 8 set out a review of the business, key risks and future developments.

DIVIDENDS

The Company has paid and proposes to pay the following dividends:

	2014 £'000	2013 £'000
Ordinary Shares		
Interim paid, 1p per share (2013: 0.9p per share)	**126**	112
Special dividend, 12p per share (2013: 12p per share)	**1,512**	1,508
Proposed final, 3.3p per share (2013: 3p per share)	**417**	378
TOTAL ORDINARY DIVIDENDS, 16.3P PER SHARE (2013: 15.9P)	**2,055**	1,998

The Company paid an interim dividend on 12 November 2014 to shareholders on the register as of 3 October 2014. The final dividend for 2013 and special dividend were paid on 14 May 2014 to shareholders on the register as of 22 April 2014.

DIRECTORS

The following are the current directors of the parent company, BrainJuicer Group PLC, and each served throughout the whole year.

John Kearon (executive)
James Geddes (executive)
Alex Batchelor (executive)
Ken Ford (non-executive)
Robert Brand (non-executive)
Graham Blashill (non-executive)

The Remuneration report on pages 19 to 20 sets out directors' interests in the shares of the Company.

SHARE CAPITAL

Changes in the share capital of the Company during the year are given in note 11 to the financial statements. As at 8 January 2015, the Company was aware of the following significant interests in the ordinary issued share capital of the Company:

At 8 January 2015	Number	Percent of Voting Shares
John Kearon	3,859,996	30.6
BlackRock Investment Management (UK)	1,169,119	9.3
Liontrust Asset Management	1,114,356	8.8
Motley Fool Asset Management	931,336	7.4
Herald Investment Management Limited	700,000	5.5
Cluny Hill Capital Limited	695,000	5.5
Polar Capital Partners	650,000	5.1
Allianz Global Investors KAG	425,000	3.4
Heritage Capital Management	389,693	3.1

FINANCIAL RISK MANAGEMENT

The Group's activities expose it to the following financial risks to a small degree.

CREDIT RISK

We manage credit risk on a Group basis, arising from credit exposures to outstanding receivables and cash and cash equivalents. Since the majority of the Group's clients are large blue-chip organisations, the Group rarely suffers a bad debt. The Group's cash balances are held, in the main, at HSBC Bank.

MARKET RISK – FOREIGN EXCHANGE RISK

In addition to the United Kingdom, the Group operates in the United States, Continental Europe, Brazil, China, Singapore and India and is exposed to currency movements impacting future commercial transactions and net investments in those countries. Management believe that both foreign currency transaction and translation risk are not material to the financial performance of the Group and do not deal in hedging instruments.

LIQUIDITY RISK

The Company monitors its cash balances regularly and holds its cash in immediately-available current accounts to minimise liquidity risk.

OTHER RISKS

Management do not consider price risk or interest rate risk to be material to the Group.

CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that it is able to continue as a going concern while maximising its return to shareholders. The Company's capital structure consists of cash and cash equivalents and share capital. The Group has no borrowings or borrowing facilities and is not subject to any externally imposed capital requirements. The Group has not entered into any derivative contracts.

GOING CONCERN

After making enquiries, 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 at least 12 months from the approval of these financial statements. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

RESEARCH AND DEVELOPMENT

BrainJuicer's Labs team is involved in the development and validation of new market research methods and products centred on Behavioural Science.

PURCHASE OF OWN SHARES

During the year the Company transferred 234,541 Ordinary Shares (with an aggregate nominal value of £2,345, representing 1.78% of the called up share capital of the Company) out of treasury to satisfy the exercise of employee share options over 234,541 Ordinary Shares, for cash consideration of £334,000. The Company subsequently repurchased 233,049 of these shares (with an aggregate nominal value of £2,330, representing 1.77% of the called up share capital of the Company) for cash consideration of £1,033,000. As part of the settlement of the Company's long term incentive plan 62,024 shares, with an aggregate nominal value of £621, were transferred from treasury and awarded to senior executives for nil consideration, representing 0.47% of the called up share capital of the Company.

Following these transactions, at 31 December 2014 there were 13,141,867 Ordinary Shares in issue (2013: 13,136,448) of which 509,268 shares were held in treasury (2013: 572,784).

EMPLOYEES

The Group maintains fair employment practices, and attempts to eliminate all forms of discrimination and to give equal access. Wherever possible we provide the same opportunities for disabled people as for others. If an employee were to become disabled we would make every effort to keep him or her in our employment, with appropriate training where necessary.

HEALTH AND SAFETY POLICIES

The Group does not have significant health and safety risks, and is committed to maintaining high standards of health and safety for its employees, visitors and the general public.

AUDITOR

The Company will be seeking shareholder approval to reappoint its auditor, Grant Thornton UK LLP, at its Annual General Meeting.

ON BEHALF OF THE BOARD

JAMES GEDDES
Chief Financial Officer
19 March 2015

The Board is committed to high standards of corporate governance, which it considers a pre-requisite to support the growth and ambitions of the Group. Whilst it is not a requirement for companies listed on AIM to comply with all the provisions in the UK Corporate Governance Code 2012, the Board takes the Code seriously. The Group also places particular importance on the guidelines issued by the Quoted Companies Alliance for Companies.

The Group does not comply with the UK Corporate Governance Code 2012. The Directors believe that full compliance is not practicable for a group of BrainJuicer's size and at its stage of development. This report sets out the procedures and systems currently in place at BrainJuicer and explains why the Board considers them effective.

THE BOARD OF DIRECTORS

The Board comprises three executive directors and three independent non-executive directors. We believe that the directors have the necessary mix of skills and experience to oversee the company. Their biographical details are presented on page 21.

The Board meets formally 11 times a year and discharges its responsibilities through a management team who hold formal and informal meetings as would be expected in a group of BrainJuicer's size.

Ken Ford is Chairman of the Group and John Kearon its Chief Executive Officer. John is also the founder of BrainJuicer and a significant shareholder. His role centres on formulating the Group's strategy and driving its commercial development. The Board's three non-executive directors act as a sounding board and challenge the executive directors both at monthly Board meetings and on a regular and informal basis. Matters referred to the Board are considered by the Board as a whole and no one individual has unrestricted powers of decision. There are procedures and controls, including a schedule of matters that require the Board's specific approval. This schedule includes:

- approval of the Group's strategy and long-term objectives;
- approval of the extension of the Group's activities into new territories;
- approval of significant capital expenditure beyond that budgeted;
- changes relating to the Group's capital structure, including debt-raising, reduction of capital, share issues and buy-backs;
- ensuring that the Group has effective reporting and internal control systems and an adequate risk assessment procedure;
- nominations for Board and Committee appointments; and
- consideration of key senior management appointments.

Where directors have concerns which cannot be resolved in connection with the running of the Group or a proposed action, their concerns would be recorded in the Board Minutes. This course of action has not been required to date.

The directors can obtain independent professional advice at the Company's own expense in performance of their duties.

Each year at the Annual General Meeting, one-third of directors are required to retire by rotation, provided all directors are subject to re-election at intervals of no more than three years. This year Robert Brand and Alex Batchelor are scheduled to retire by rotation and have each confirmed their willingness to be put forward for re-election at the 2015 Annual General Meeting.

NON-EXECUTIVE DIRECTORS

The three non-executive directors are independent of management. The terms and conditions of the non-executive directors' appointments are available for inspection at the Company's registered office.

REMUNERATION COMMITTEE

The Remuneration Committee membership and a summary of its terms of reference are on page 19.

AUDIT COMMITTEE

The Audit Committee aims to support the creation of long term value for shareholders. The Committee comprises Robert Brand (Chairman), Graham Blashill and Ken Ford, the three non-executive directors. Robert Brand has relevant financial experience. If required, the Committee is entitled to request independent advice at the Company's expense in order for it to effectively discharge its responsibilities.

The Committee's main role and responsibilities can be found on the company's website, and currently are to:

- monitor the integrity of the financial statements of the Group;
- review the Group's internal financial controls and risk management systems;
- make recommendations to the Board, for it to put to the shareholders for their approval in relation to the appointment of the external auditor and to approve appropriate remuneration and terms of reference for the external auditor;
- discuss the nature, extent and timing of the external auditor's procedures and discussion of external auditor's findings;
- monitor and ensure the external auditor's independence and objectivity and the effectiveness of the audit process;
- develop and implement policy on the engagement of the external auditor to supply non-audit services; and
- report to the Board, identifying any matters in respect of which it considers that action or improvement is required; and
- ensure a formal channel is available for employees and other stakeholders to express any complaints in respect of financial accounting and reporting.

The Committee is scheduled to meet twice in each financial year and at other times if necessary. In respect of the 2014 financial year, meetings were held in September 2014 and March 2015. The Audit Committee Chairman met separately with the external audit partner in advance of both of these meetings. The current auditors were appointed in 2003.

The Group does not currently have an internal audit function, which the Board considers appropriate for a Group of BrainJuicer's size.

INTERNAL CONTROL PROCEDURES

The Board is responsible for the Group's system of internal controls and risk management, and for reviewing the effectiveness of these systems. These systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, but not absolute assurance against material misstatement or loss.

The key features of the Group's internal controls are described below:

- clearly-defined organisational structure with appropriate delegation of authority;
- comprehensive budgeting programme;
- regular reviews of forecasts;
- a limited number of directors and executives authorised to make payments and commit the company to legal agreements;
- regular reviews of client and employee feedback.

The Board in conjunction with the Audit Committee reviews the Group's internal control system on a periodic basis. The Board seeks to ensure risk assessment procedures and responses are continuously improved.

COMMUNICATIONS WITH SHAREHOLDERS

The Board recognises the importance of regular and effective communication with shareholders. The primary forms of communication are:

- annual and interim statutory financial reports and associated investor and analyst presentations and reports;
- announcements relating to trading or business updates released to the London Stock Exchange;
- regular investor meetings.

MEETING ATTENDANCE

The number of regular meetings that each director attended is set out below:

	Board	Audit Committee	Remuneration Committee
Ken Ford	11	2	2
Robert Brand	11	2	2
Graham Blashill	11	2	2
John Kearon	11	n/a	n/a
James Geddes	11	2*	2*
Alex Batchelor	11	n/a	n/a

*attendance by invitation.

On rare occasions a board member may attend by phone to accommodate overseas travel arrangements.

REMUNERATION COMMITTEE

The remuneration committee (the "Committee") comprises the three non-executive directors, Graham Blashill (Chairman), Robert Brand and Ken Ford. The Committee's main role and responsibilities are to:

- determine the remuneration and incentive packages for each of the Company's executive directors;
- review and approve the remuneration and benefits of senior management;
- review and make recommendations to the Board on the design of remuneration structures and levels of pay and other incentives for employees of the Group;
- report to the Group's shareholders in relation to remuneration policies applicable to the Group's executive directors.

The Committee may invite the Chief Executive Officer, the Chief Financial Officer and Chief Operating Officer to attend meetings of the Remuneration Committee. The Chief Executive Officer is consulted on proposals relating to the remuneration of the Chief Financial Officer and Chief Operating Officer and of other senior executives of the Group. The Chief Executive Officer is not involved in setting his own remuneration.

The Committee may use remuneration consultants to advise it in setting remuneration structures and policies. The Committee is exclusively responsible for appointing such consultants and for setting their terms of reference.

REMUNERATION POLICY

We aim to ensure that management remuneration encourages long-term shareholder value creation, is deemed fair from the points of view of all stakeholders, and is not excessive. The Committee takes into account remuneration packages of comparable companies.

SHARE OPTIONS

We have stock options under an old employee stock option plan; for details please see note 11 to the Financial Statements. We are no longer granting options under the plan.

SERVICE AGREEMENTS

Each of the executive directors have employment contracts. The agreements include restrictive covenants which apply during employment and for a period of 12 months after termination. John Kearon's agreement can be terminated on six months' notice in writing by either the Company or by John. James Geddes' and Alex Batchelor's agreements can be terminated on 12 months' notice in writing by the Company and 6 months' notice by the employee.

REMUNERATION

The remuneration of the non-executive directors is determined by the executive directors.

Remuneration in respect of the directors was as follows:

	Salary £	Benefits in kind £	Bonus £	2014 £	2013 £
John Kearon	**195,160**	**3,991**	-	**199,151**	251,250
James Geddes	**169,202**	**4,697**	-	**173,899**	219,056
Alex Batchelor	**169,202**	**3,838**	-	**173,040**	218,276
Ken Ford	**37,000**	-	-	**37,000**	33,990
Robert Brand	**33,000**	-	-	**33,000**	30,900
Graham Blashill	**33,000**	-	-	**33,000**	28,583
	636,564	**12,526**	-	**649,090**	782,055

Money purchase pension contributions in respect of the directors were as follows:

	2014 £	2013 £
John Kearon	**11,710**	11,424
James Geddes	**10,152**	9,905
Alex Batchelor	**10,152**	9,905
	32,014	31,234

DIRECTORS' INTERESTS

Directors' interests in Ordinary Shares of 1p each as at 31 December 2014 are shown below:

	Number of 1p ordinary shares	
	31 December 2014	1 January 2014
John Kearon	**3,859,996**	3,859,996
James Geddes	**158,325**	158,325
Alex Batchelor	**101,852**	101,852
Ken Ford	**20,000**	20,000
Robert Brand	**30,000**	30,000
Graham Blashill	**5,000**	5,000

EMPLOYEE SHARE OPTIONS

Directors' interests in share options over 1p Ordinary Shares in the Company were as follows:

(Date of grant)	Earliest exercise date	Exercise price (p)	Number at 1 Jan 2014	Granted in year	Exercised in year	Number at 31 Dec 2014
JOHN KEARON						
(19/01/2007)	01/01/2008	162.5p	60,213	-	-	60,213
JAMES GEDDES						
(19/01/2007)	01/01/2008	162.5p	60,213	-	-	60,213
(28/05/2014)*	28/05/2014	0.0p	-	*125,722	-	125,722
			60,213	125,722	-	185,935
ALEX BATCHELOR						
(22/03/2010)	01/04/2011	149.0p	113,334	-	-	113,334
(18/05/2010)	01/01/2011	0.0p	116,666	-	-	116,666
(28/05/2014)*	28/05/2014	0.0p	-	*125,722	-	125,722
			230,000	125,722	-	355,722
Total			**350,426**	**251,444**	**-**	**601,870**

* awarded in settlement of the Company's 2010 long-term incentive plan (see below).

LONG TERM INCENTIVES

During the period the Company's 2010 long-term incentive plan for senior executives vested. In settlement John Kearon received cash of £656,000 and both James Geddes and Alex Batchelor were each awarded options over 125,722 shares in the Company at an exercise price of £Nil per share. Full details of that scheme can be found in last year's annual report.

For the three-year period commencing 2014, the Remuneration Committee has put in place new arrangements for the remuneration of the management team which more closely follow the guidelines for quoted companies, and which were approved at the Company's Annual General Meeting in May 2014. Under this scheme the executive directors forego all annual bonuses, but receive equity options based on a substantial increase in earnings per share over the three years, backed by a share price underpin. The members of the senior management team will have an increased bonus potential of up to 50% of base salary, but without any future equity participation. The Remuneration Committee believes that this:

- aligns the executive directors' remuneration to the shareholder value they create;
- provides flexible, simple and more immediate rewards for the wider management team;
- contains the dilutive impact on our equity.

GRAHAM BLASHILL
Chairman of the Remuneration Committee
19 March 2015

Board of Directors

KEN FORD

NON-EXECUTIVE CHAIRMAN

Ken joined BrainJuicer in 2008 as non-executive Chairman. Ken has a wide City experience with past directorships including Morgan Grenfell and Aberdeen Asset Management and more recently stockbroker Teather & Greenwood. He is a former Chairman of the Society of Investment Analysts and of the Quoted Companies Alliance [QCA], remaining on its executive committee. Ken is also a non-executive Chairman of Nakama Group plc, Scientific Digital Imaging plc and Lewis PR.

GRAHAM BLASHILL

NON-EXECUTIVE DIRECTOR AND CHAIRMAN OF THE REMUNERATION COMMITTEE

Graham joined BrainJuicer in 2012. He has had a long career in sales and marketing of fast-moving consumer goods. Graham joined W.D. & H.O. Wills (a division of Imperial Tobacco) in 1968, holding a number of marketing and trading roles, and becoming Managing Director Imperial Tobacco UK in 1995. In 2003 he was Regional Director for Western Europe, and in 2005 appointed Group Sales and Marketing Director, responsible for Imperial Tobacco's global trading operations in over 160 countries. He served as a main board director of Imperial Tobacco Group plc, a leading FTSE 100 company, for six years before retiring in 2011.

ROBERT BRAND

NON-EXECUTIVE DIRECTOR AND CHAIRMAN OF THE AUDIT COMMITTEE

Robert joined BrainJuicer in 2012. He began his career in 1977, initially as a research analyst and then as Managing Director of UK Equity research at BZW, then the investment banking division of Barclays Bank. In 1990 he joined Makinson Cowell, a capital markets advisory firm, as a director. Over a period of 18 years he advised a wide range of FTSE 100 and FTSE 250 companies, focusing on their link with institutional investors. He retired from Makinson Cowell in 2008.

JOHN KEARON

CHIEF EXECUTIVE OFFICER

John founded BrainJuicer in 1999. Prior to BrainJuicer, he founded innovation agency Brand Genetics Limited, which invented new products and services for FT500 companies. Before this, John had been planning director of one of the UK's leading advertising agencies. He started his career over 25 years ago as a graduate of Unilever's management programme, rising to be a senior marketer at Elida Gibbs before moving into advertising. John's role in establishing and developing the BrainJuicer business made him Ernst & Young's "Emerging Entrepreneur of the Year" in 2006.

JAMES GEDDES

CHIEF FINANCIAL OFFICER

James joined BrainJuicer in 2003. Previously, he was CFO of Iobox Oy (a Finnish start-up backed by Morgan Stanley and sold to Telefonica), Executive Director of International Corporate Finance at MediaOne Group (the US telecoms multinational now part of AT&T), and Assistant Treasurer of Foster's Brewing Group. He is a Chartered Accountant, holds a Diploma in Corporate Treasury Management, and is a graduate of Harvard Business School's Program for Management Development.

ALEX BATCHELOR

CHIEF OPERATING OFFICER

Alex joined BrainJuicer in 2010. Prior to BrainJuicer, he held various senior marketing roles, as Chief Marketing Officer of TomTom; Marketing Director of the Royal Mail; Vice President – Global Brand at Orange. Like John, Alex started his career at Unilever over 20 years ago, before leaving to spend two years in advertising at Saatchi & Saatchi and then six years at brand consultancy Interbrand, where he was Managing Director. Alex is both a Fellow of the Marketing Society and a former Chairman.

Statement of Directors' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs and United Kingdom Accounting Standards in respect of the group and parent company financial statements respectively, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

JAMES GEDDES
Company Secretary and Chief Financial Officer
19 March 2015

Independent Auditor's Report to the members of BrainJuicer Group PLC

We have audited the financial statements of BrainJuicer Group PLC for the year ended 31 December 2014 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity, the company balance sheet and the related notes. 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).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Statement of Directors' responsibilities set out on page 22 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frs.org.uk/auditscopeukprivate.

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 2014 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.

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.

MALCOLM GOMERSALL
Senior Statutory Auditor for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Central Milton Keynes
19 March 2015

Consolidated Income Statement

For the Year Ended 31 December 2014

	Note	2014 £'000	2013 £'000
REVENUE	4	**24,645**	24,457
Cost of sales		**(5,235)**	(5,370)
GROSS PROFIT		**19,410**	19,087
Administrative expenses		**(15,109)**	(15,537)
OPERATING PROFIT	4	**4,301**	3,550
Gain on disposal of available for sale investments	7	**-**	14
Finance income	18	**-**	1
Finance costs	18	**(15)**	(9)
PROFIT BEFORE TAXATION		**4,286**	3,556
Income tax expense	19	**(1,389)**	(1,121)
PROFIT FOR THE FINANCIAL YEAR		**2,897**	2,435
ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**2,897**	2,435
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Basic earnings per share	21	**23.0p**	19.4p
Diluted earnings per share	21	**21.3p**	18.7p

The notes on pages 29 to 47 are an integral part of these consolidated financial statements.

All of the activities of the Group are classed as continuing.

Consolidated Statement of Comprehensive Income

For the Year Ended 31 December 2014

	2014 £'000	2013 £'000
PROFIT FOR THE FINANCIAL YEAR	**2,897**	2,435
OTHER COMPREHENSIVE INCOME:		
ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS		
Exchange differences on translating foreign operations	**(62)**	(55)
Other comprehensive income for the year, net of tax	**(62)**	(55)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR AND AMOUNTS ATTRIBUTABLE TO EQUITY HOLDERS	**2,835**	2,380

The notes on pages 29 to 47 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31 December 2014

	Note	2014 £'000	2013 £'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	**163**	112
Intangible assets	6	**797**	1,000
Deferred tax asset	20	**814**	670
		1,774	1,782
CURRENT ASSETS			
Inventories	9	**195**	238
Trade and other receivables	10	**6,724**	7,344
Cash and cash equivalents		**5,347**	6,188
		12,266	13,770
TOTAL ASSETS		**14,040**	15,552
EQUITY			
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share capital	11	**131**	131
Share premium account		**1,580**	1,579
Merger reserve		**477**	477
Foreign currency translation reserve		**(64)**	(2)
Retained earnings		**5,581**	5,924
TOTAL EQUITY		**7,705**	8,109
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	12	**368**	390
		368	390
CURRENT LIABILITIES			
Provisions	12	**269**	206
Trade and other payables	13	**5,543**	6,336
Current income tax liabilities		**155**	511
		5,967	7,053
TOTAL LIABILITIES		**6,335**	7,443
TOTAL EQUITY AND LIABILITIES		**14,040**	15,552

The notes on pages 29 to 47 are an integral part of these consolidated financial statements.

REGISTERED COMPANY NO. 05940040

These financial statements were approved by the directors on 19 March 2015 and are signed on their behalf by:

JOHN KEARON — Director

JAMES GEDDES — Director

Consolidated Cash Flow Statement

For the Year Ended 31 December 2014

	Note	2014 £'000	2013 £'000
NET CASH GENERATED FROM OPERATIONS	24	**4,672**	5,343
Tax paid		**(1,242)**	(835)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**3,430**	4,508
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5	**(159)**	(70)
Purchase of intangible assets	6	**(114)**	(69)
Sale of available for sale investments	7	**-**	97
NET CASH USED BY INVESTING ACTIVITIES		**(273)**	(42)
NET CASH FLOW BEFORE FINANCING ACTIVITIES		**3,157**	4,466
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest	18	**(15)**	(8)
Proceeds from sale of treasury shares	11	**334**	82
Purchase of own shares	11	**(1,033)**	(153)
Purchase of equity interests	11	**(1,239)**	-
Dividends paid to owners	22	**(2,016)**	(1,903)
NET CASH USED BY FINANCING ACTIVITIES		**(3,969)**	(1,982)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(812)**	2,484
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**6,188**	3,755
EXCHANGE LOSSES ON CASH AND CASH EQUIVALENTS		**(29)**	(51)
CASH AND CASH EQUIVALENTS AT END OF YEAR		**5,347**	6,188

The notes on pages 29 to 47 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2014

	Note	Share capital £'000	Share premium account £'000	Merger reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total £'000
AT 1 JANUARY 2013		131	1,579	477	53	5,100	7,340
PROFIT FOR THE FINANCIAL YEAR		-	-	-	-	2,435	2,435
Other comprehensive income:							
Currency translation differences		-	-	-	(55)	-	(55)
TOTAL COMPREHENSIVE INCOME		-	-	-	(55)	2,435	2,380
Transactions with owners:							
Employee share options scheme:							
- value of employee services		-	-	-	-	148	148
- current tax credited to equity		-	-	-	-	206	206
- deferred tax credited to equity		-	-	-	-	9	9
Dividends paid to owners		-	-	-	-	(1,903)	(1,903)
Sale of treasury shares		-	-	-	-	82	82
Purchase of treasury shares		-	-	-	-	(153)	(153)
		-	-	-	-	(1,611)	(1,611)
AT 31 DECEMBER 2013		**131**	**1,579**	**477**	**(2)**	**5,924**	**8,109**
PROFIT FOR THE FINANCIAL YEAR		**-**	**-**	**-**	**-**	**2,897**	**2,897**
Other comprehensive income:							
Currency translation differences		-	-	-	(62)	-	(62)
TOTAL COMPREHENSIVE INCOME		**-**	**-**	**-**	**(62)**	**2,897**	**2,835**
Transactions with owners:							
Employee share options scheme:							
- exercise of share options	11	-	1	-	-	-	1
- value of employee services	11	-	-	-	-	67	67
- current tax credited to equity		-	-	-	-	414	414
- deferred tax credited to equity	20	-	-	-	-	233	233
Dividends paid to owners	22	-	-	-	-	(2,016)	(2,016)
Sale of treasury shares	11	-	-	-	-	334	334
Purchase of treasury shares	11	-	-	-	-	(1,033)	(1,033)
Settlement of long term incentives	11	-	-	-	-	(1,239)	(1,239)
		-	**1**	**-**	**-**	**(3,240)**	**(3,239)**
AT 31 DECEMBER 2014		**131**	**1,580**	**477**	**(64)**	**5,581**	**7,705**

The notes on pages 29 to 47 are an integral part of these consolidated financial statements.

1 GENERAL INFORMATION

BrainJuicer Group PLC ("the Company") was incorporated on 19 September 2006 in the United Kingdom. The Company's principal operating subsidiary company, BrainJuicer Limited, was at that time already well established, having been incorporated on 29th December 1999. The Company is United Kingdom resident. The address of the registered office of the Company, which is also its principal place of business, is given on page 52. The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange ("AIM").

The Company and its subsidiaries (together "the Group") provide on-line market research services. Further detail of the Group's operations and its principal activity is set out in the Chairman's and CEO Statements and the Business and Financial Review on pages 2 to 8.

The financial statements for the year ended 31 December 2014 (including the comparatives for the year ended 31 December 2013) were approved by the board of directors on 19 March 2015.

2 BASIS OF PREPARATION

The Group has prepared its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted in the European Union, IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Pounds Sterling (GBP), which is the Company's functional and presentation currency.

3 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

STANDARDS, AMENDMENTS AND INTERPRETATIONS IN ISSUE BUT NOT YET EFFECTIVE

The following standards, amendments and interpretations to existing standards, relevant to the financial statements of the Group, have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2015 or later periods, but the Group has not adopted them early:

IFRS 9, 'FINANCIAL INSTRUMENTS' (EFFECTIVE FROM 1 JANUARY 2018).

In November 2009, the IASB issued IFRS 9 'Financial Instruments' as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied (once endorsed by the EU). All equity investments within the scope of IFRS 9 are to be measured at fair value in the balance sheet, with value changes recognised in profit or loss, except for those equity investments for which the entity has elected to report value changes in 'other comprehensive income'. There will be no 'cost exception' for unquoted equities.

IFRS 15, 'REVENUE FROM CONTRACTS WITH CUSTOMERS' (EFFECTIVE 1 JANUARY 2017).

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for reporting periods beginning on or after 1 January 2017. Management consider that IFRS 15 will have no material impact upon these consolidated financial statements.

3 PRINCIPAL ACCOUNTING POLICIES continued

BASIS OF CONSOLIDATION

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to 31 December 2014. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from its activities. The Group obtains and exercises control through voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquirer's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

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

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided to write off the cost of all property, plant and equipment to its residual value on a straight-line basis over its expected useful economic lives, which are as follows:

Furniture, fittings and equipment	5 years
Computer hardware	2 to 3 years

The residual value and useful life of each asset is reviewed and adjusted, if appropriate, at each balance sheet date.

INTANGIBLE ASSETS

SOFTWARE

Acquired computer software licenses are capitalised at the cost of acquisition. These costs are amortised on a straight-line basis over their estimated useful economic life of two years.

Costs incurred in the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include professional fees and directly-attributable employee costs required to bring the software into working condition. Non-attributable costs are expensed under the relevant income statement heading.

Furthermore, internally-generated software is recognised as an intangible asset only if the Group can demonstrate all of the following conditions:

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
(b) its intention to complete the intangible asset and use or sell it;
(c) its ability to use or sell the intangible asset;
(d) how the intangible asset will generate probable future economic benefits;
(e) among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

(f) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;

(g) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Internally-generated intangible assets are amortised on a straight-line basis over their useful economic lives. Where no internally-generated intangible asset can be recognised, development expenditure is charged to administrative expenses in the period in which it is incurred. Once completed, and available for use in the business, internally developed software is amortised on a straight line basis over its useful economic life which varies between 2 and 7 years.

The Group's main research software platform, which it developed over a number of years, was brought into use on 1 January 2011 and is being amortised over its estimated useful economic life of 7 years.

Amortisation on all intangible assets is charged to administrative expenses.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

At each balance sheet date the Group reviews the carrying amount of its property, plant and equipment and intangible assets for any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Intangible assets not available for use are tested for impairment on at least an annual basis. The recoverable amount is the higher of the fair value less costs to sell and value in use.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and bank deposits available on demand.

INVENTORIES – WORK IN PROGRESS

Work in progress comprises directly-attributable external costs on incomplete market research projects and is held in the balance sheet at the lower of cost and net realisable value.

INCOME TAXES

Current income tax liabilities comprise those obligations to fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement, except where it relates to items charged or credited to other comprehensive income or directly to equity.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as a component of tax expense in the income statement, except where it relates to items charged or credited to other comprehensive income or directly to equity.

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income statement net of any incentives received from the lessor on a straight-line basis over the period of the lease.

REVENUE RECOGNITION

Revenue is recognised only after the final written debrief has been delivered to the client, except on the rare occasion that a large project straddles a financial period end, and that project can be sub-divided into separate discrete deliverables; in such circumstances revenue is recognised on delivery of each separate deliverable. Revenue is measured by reference to the fair value of consideration receivable, excluding sales taxes.

3 PRINCIPAL ACCOUNTING POLICIES continued

COST OF SALES
Cost of sales includes external costs attributable to client projects including: respondent sample, data processing, language translation and similar costs.

EMPLOYEE BENEFITS
All accumulating employee-compensated absences that are unused at the balance sheet date are recognised as a liability.

The Group operates several defined contribution pension plans. The Group pays contributions to these plans based upon the contractual terms agreed with each employee. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

SHARE-BASED PAYMENT TRANSACTIONS
The Group issues equity-settled share-based compensation to certain employees (including directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Group's estimate of the shares that will eventually vest. With the exception of market-based awards, these estimates are subsequently revised if there is any indication that the number of options expected to vest differs from previous estimates.

Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods.

The fair value of option awards with time vesting performance conditions are measured at the date of grant using the Hoadley Employee Stock Option Valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value of awards made with market-based performance conditions (for example, the entity's share price) are measured at the grant date using a Monte Carlo simulation method incorporating the market conditions in the calculations. The awards made in respect of the Group's long term incentive scheme have been measured using such a method.

Social security contributions payable in connection with the grant of share options is considered integral to the grant itself, and the charge is treated as a cash-settled transaction.

Cash payments totalling £1,239,000 made in settlement of part of the Company's long term incentive plan during the year were accounted for as a repurchase of equity interests with the consideration paid debited to equity and disclosed in the Statement of Changes in Equity as 'Settlement of long term incentives'.

PROVISIONS
Provisions for sabbatical leave and dilapidations are recognised when: the Group has a legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Where material, the increase in provisions due to passage of time is recognised as interest expense. The provision for sabbatical leave is measured using the projected unit credit method. The provision for dilapidations is measured at the present value of expenditures expected to be required to settle those obligations.

FOREIGN CURRENCIES
Items included in the individual financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates ('the functional currency'). The consolidated financial statements are presented in Sterling ('GBP'), which is the Company's functional and the Group's presentation currency.

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses arising from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

3 PRINCIPAL ACCOUNTING POLICIES continued

The results and financial position of all Group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the balance sheet date;

(b) income and expenses for each income statement are translated at average exchange rates; and

(c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recognised in other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the main decision-making body of the Company, which collectively comprises the Executive Directors. The Executive Directors are responsible for allocating resources and assessing performance of the operating segments.

FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

The Group's financial assets comprise loans and receivables. The Group does not possess assets held at fair value through profit or loss, held-to-maturity investments or available-for-sale financial assets. The classification is determined by management at initial recognition, being dependent upon the purpose for which the financial assets were acquired. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Trade receivables are initially recorded at fair value, but subsequently at amortised cost using the effective interest rate method. Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

FINANCIAL LIABILITIES

Financial liabilities are initially recognised at fair value, net of transaction costs, and subsequently carried at amortised cost using the effective interest rate method. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

3 PRINCIPAL ACCOUNTING POLICIES continued

TRADE PAYABLES

Trade payables are initially recorded at fair value, but subsequently at amortised cost using the effective interest rate method.

SHARE CAPITAL

Ordinary shares are classified as equity. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

SHARE PREMIUM

Share premium represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.

MERGER RESERVE

The merger reserve represents the difference between the parent company's cost of investment and a subsidiary's share capital and share premium. The merger reserve in these accounts has arisen from a group reconstruction upon the incorporation and listing of the parent company that was accounted for as a common control transaction. Common control transactions are accounted for using merger accounting rather than the acquisition method.

FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents the differences arising from translation of investments in overseas subsidiaries.

TREASURY SHARES

Where the Company purchases the Company's equity share capital, the consideration paid is deducted from the total shareholders' equity and classified as treasury shares until they are cancelled. Where such shares are subsequently sold or re-issued, any consideration received is included in total shareholders' equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

SHARE BASED PAYMENTS

The fair value of options granted is determined using the Hoadley Employee Stock Option Valuation model (for the employee share option scheme) and a Monte Carlo simulation model (for the long term incentive scheme). These models require a number of estimates and assumptions. The significant inputs into the models are share price at grant date, exercise price, historic exercise multiples, expected volatility and the risk free rate. Volatility is measured at the standard deviation of expected share prices returns based on statistical analysis of historical share prices.

During the year (and in previous years) the Company has often purchased shares arising from the exercise of share options in order to minimise shareholder dilution and create shareholder value. In the current reporting period the Company also cash-settled part of its long term incentive plan. Despite the repurchase of these equity interests the Company did not have an obligation to do so. Furthermore, the Company does not have a formal policy in relation to equity interests and so no constructive obligation arises either. As a result, the Company accounts for share-based payments as equity rather than cash-settled.

EMPLOYEE BENEFITS

The Group has a sabbatical leave scheme, open to all employees, that provides 20 days paid leave for each six years' of service. The carrying amount of the provision at the balance sheet date amounted to £557,000 (2013: £516,000). The provision for liabilities under the scheme is measured using the projected unit credit method. This model requires a number of estimates and assumptions. The significant inputs into the model are rate of salary growth and average staff turnover as explained in Note 12.

4 SEGMENT INFORMATION

When reviewing financial performance, key segmental information that management look at are revenue, gross profit, and operating profit before allocation of central overheads of the Group's geographic operating units ("Reportable Segments"), and the split of business by type of research solution.

FINANCIAL PERFORMANCE OF REPORTABLE SEGMENTS:

	2014			2013		
	Revenue £'000	Gross margin £'000	Operating Profit** £'000	Revenue £'000	Gross margin £'000	Operating Profit** £'000
United Kingdom	**8,779**	**6,814**	**4,823**	8,859	6,843	4,908
US	**7,683**	**6,420**	**3,700**	7,266	5,794	2,796
Continental Europe*	**4,416**	**3,446**	**1,669**	4,895	3,992	1,859
China & Singapore*	**1,894**	**1,478**	**744**	1,461	1,112	491
Brazil	**1,580**	**1,031**	**283**	1,806	1,206	507
India	**293**	**221**	**59**	170	140	41
	24,645	**19,410**	**11,278**	24,457	19,087	10,602

*2014 revenue for China & Singapore includes £415,000 from a large client that was serviced from our Continental Europe region in 2013. Continental European revenue for 2013 included £449,000 from that client.

** Segmental operating profit excludes costs relating to central services provided by our Operations, IT, Marketing, HR and Finance teams and our Board of Directors.

REVENUE SPLIT BY TYPE OF RESEARCH SOLUTION:

	2014			2013		
	Juicy £'000	Twist £'000	Total £'000	Juicy £'000	Twist £'000	Total £'000
Quantitative Research	**17,605**	**4,129**	**21,734**	14,608	6,260	20,868
Juice Generation	**2,392**	**-**	**2,392**	3,337	-	3,337
Behaviour Change Unit	**519**	**-**	**519**	252	-	252
	20,516	**4,129**	**24,645**	18,197	6,260	24,457
Percentage of revenue	**83%**	**17%**		74%	26%	

Juicy products are BrainJuicer's new methodologies that challenge traditional approaches to market research. Twist products are industry standard quantitative research methods with an added BrainJuicer "twist".

Segmental revenue is revenue generated from external customers and so excludes intercompany revenue.

A reconciliation of total operating profit for Reportable Segments to total profit before income tax is set out below:

	2014 £'000	2013 £'000
OPERATING PROFIT FOR REPORTABLE SEGMENTS	**11,278**	10,602
Central overheads	**(6,977)**	(7,052)
OPERATING PROFIT	**4,301**	3,550
Gain on disposal of available for sale investments	**-**	14
Finance costs	**(15)**	(8)
PROFIT BEFORE INCOME TAX	**4,286**	3,556

Revenues are attributed to geographical areas based upon the location in which the sale originated.

Consolidated cash, trade receivable, property, plant and equipment and intangible asset balances are regularly provided to the executive directors but segment assets and segment liabilities are not, and accordingly the Company does not disclose segment assets and liabilities here.

BrainJuicer Group PLC is domiciled in the UK. Revenue from external customers to the UK is £8,779,000 (2013: £8,859,000), and revenue from external customers to other countries is £15,866,000 (2013: £15,598,000).

4 SEGMENT INFORMATION continued

Non-current assets other than financial instruments and deferred tax assets located in the UK is £920,000 (2013: £1,067,000), and these non-current assets located in other countries is £40,000 (2013: £45,000).

Revenues of £1,871,000 (2013: £2,315,000) are derived from the Group's largest single external customer, representing 8% (2013: 9%) of Group revenues. Revenues by operating segment are as follows:

	2014 £	2013 £
UK	**1,121,000**	1,284,000
China and Singapore	**330,000**	351,000
Continental Europe	**260,000**	349,000
US	**160,000**	271,000
Brazil	**-**	60,000
	1,871,000	2,315,000

5 PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 December 2014	**Furniture, fittings and equipment £'000**	**Computer hardware £'000**	**Total £'000**
AT 1 JANUARY 2014			
Cost	337	699	1,036
Accumulated depreciation	(299)	(625)	(924)
NET BOOK AMOUNT	38	74	112
YEAR ENDED 31 DECEMBER 2014			
OPENING NET BOOK AMOUNT	38	74	112
Additions	3	156	159
Depreciation charge for the year	(14)	(94)	(108)
CLOSING NET BOOK AMOUNT	**27**	**136**	**163**
AT 31 DECEMBER 2014			
Cost	337	861	1,198
Accumulated depreciation	(310)	(725)	(1,035)
NET BOOK AMOUNT	**27**	**136**	**163**

For the year ended 31 December 2013	Furniture, fittings and equipment £'000	Computer hardware £'000	Total £'000
AT 1 JANUARY 2013			
Cost	335	636	971
Accumulated depreciation	(259)	(534)	(793)
NET BOOK AMOUNT	76	102	178
YEAR ENDED 31 DECEMBER 2013			
OPENING NET BOOK AMOUNT	76	102	178
Additions	4	66	70
Depreciation charge for the year	(41)	(95)	(136)
Foreign exchange	(1)	1	-
CLOSING NET BOOK AMOUNT	**38**	**74**	**112**
AT 31 DECEMBER 2013			
Cost	337	699	1,036
Accumulated depreciation	(299)	(625)	(924)
NET BOOK AMOUNT	**38**	**74**	**112**

6 INTANGIBLE ASSETS

For the year ended 31 December 2014	Software licenses £'000	Software £'000	Total £'000
AT 1 JANUARY 2014			
Cost	498	1,672	2,170
Accumulated amortisation	(415)	(755)	(1,170)
NET BOOK AMOUNT	83	917	1,000
YEAR ENDED 31 DECEMBER 2014			
OPENING NET BOOK AMOUNT	83	917	1,000
Additions	114	-	114
Amortisation charge	(88)	(229)	(317)
CLOSING NET BOOK AMOUNT	**109**	**688**	**797**
AT 31 DECEMBER 2014			
Cost	609	1,672	2,281
Accumulated amortisation	(500)	(984)	(1,484)
NET BOOK AMOUNT	**109**	**688**	**797**

For the year ended 31 December 2013	Software licenses £'000	Software £'000	Total £'000
AT 1 JANUARY 2013			
Cost	429	1,672	2,101
Accumulated amortisation	(315)	(526)	(841)
NET BOOK AMOUNT	114	1,146	1,260
YEAR ENDED 31 DECEMBER 2013			
OPENING NET BOOK AMOUNT	114	1,146	1,260
Additions	69	-	69
Amortisation charge	(100)	(229)	(329)
CLOSING NET BOOK AMOUNT	**83**	**917**	**1,000**
AT 31 DECEMBER 2013			
Cost	498	1,672	2,170
Accumulated amortisation	(415)	(755)	(1,170)
NET BOOK AMOUNT	**83**	**917**	**1,000**

Software comprises the Group's main research software platform, which it developed over a number of years and introduced in 2011, at a cost of £1,604,000. It is being amortised over 7 years and has a remaining amortisation period of 3 years. The carrying amount of this asset at the balance sheet date was £688,000 (2013: £917,000).

7 FINANCIAL ASSETS – AVAILABLE FOR SALE INVESTMENTS

During the prior year the Company sold its minority investment in Slater Marketing Group Pty Limited for cash consideration of £97,000 realising a gain of £14,000.

8 FINANCIAL RISK MANAGEMENT

The Group's financial risk management policies and objectives are explained in the Directors' report on page 14.

CREDIT RISK

Credit risk is managed on a Group basis, arising from credit exposures to outstanding receivables and cash and cash equivalents. Management regularly monitor receivables reports on a Group basis. Since the vast majority of the Group's clients are large blue-chip organisations, the Group has only ever suffered minimal bad debts. The Group has concentrations of credit risk as follows:

	2014 £'000	2013 £'000
CASH AND CASH EQUIVALENTS		
HSBC Bank PLC	**5,225**	6,070
Deutsche Bank	**79**	65
UBS	**26**	38
Other banks	**17**	15
	5,347	6,188
TRADE RECEIVABLES		
Largest customer by revenue	**1,036**	956

FINANCIAL INSTRUMENTS BY CATEGORY

At the balance sheet date the Group held the following financial instruments by category:

ASSETS AS PER BALANCE SHEET

	2014 £'000	2013 £'000
LOANS AND RECEIVABLES		
Trade and other receivables (excluding prepayments and accrued income)	**6,304**	6,758
Cash and cash equivalents	**5,347**	6,188
	11,651	12,946

LIABILITIES AS PER BALANCE SHEET

	2014 £'000	2013 £'000
OTHER FINANCIAL LIABILITIES CARRIED AT AMORTISED COST		
Trade payables	**1,187**	1,402
Accruals	**3,733**	4,334
	4,920	5,736

The table below analyses the Group's financial instruments which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Less than 1 year £'000	**Between 1 and 2 years £'000**	**Between 2 and 5 years £'000**
OTHER FINANCIAL LIABILITIES CARRIED AT AMORTISED COST	**4,920**	-	-

These cash outflows will be financed from existing cash reserves and operating cash flows.

9 INVENTORY

	2014 £'000	2013 £'000
WORK IN PROGRESS	**195**	238

10 TRADE AND OTHER RECEIVABLES

	2014 £'000	2013 £'000
Trade receivables	**6,137**	6,544
Other receivables	**167**	214
Prepayments	**420**	586
	6,724	7,344

Trade and other receivables are due within one year and are not interest bearing. The maximum exposure to credit risk at the balance sheet date is the carrying amount of receivables detailed above. The Group does not hold any collateral as security. The Directors do not believe that there is a significant concentration of credit risk within the trade receivables balance.

As of 31 December 2014, trade receivables of £1,343,000 (2013: £1,595,000) were past due but not impaired. The ageing of these trade receivables is as follows:

	2014 £'000	2013 £'000
Up to 3 months	**1,109**	944
3 to 6 months	**234**	651
	1,343	1,595

As of 31 December 2014, trade receivables of £Nil (2013: £Nil) were impaired. Since the vast majority of the Group's clients are large blue-chip organisations, the Group rarely suffers a bad debt.

The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

	2014 £'000	2013 £'000
US Dollar	**2,680**	2,168
Sterling	**1,839**	1,964
Euro	**1,450**	1,460
Swiss Franc	**372**	833
Brazilian Real	**160**	268
Chinese Yuan	**135**	259
Singapore Dollar	**45**	294
Canadian Dollar	**-**	25
Indian Rupee	**35**	63
Australian Dollar	**8**	-
	6,724	7,344

11 SHARE CAPITAL

The share capital of BrainJuicer Group PLC consists only of fully paid Ordinary Shares ("shares") with a par value of 1p each. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the Annual General Meeting.

ALLOTTED, CALLED UP AND FULLY PAID ORDINARY SHARES:

	Number	£'000
AT 1 JANUARY 2014 AND 1 JANUARY 2013	**13,136,448**	**131**
Exercise of share options	**5,419**	**-**
At 31 December 2014	**13,141,867**	**131**

During the year the Company issued 5,419 shares on the exercise of employee share options for cash consideration of £619 of which £565 was credited to share premium and £54 to share capital. The Company transferred 234,541 shares out of treasury to satisfy the exercise of employee share options over 234,541 shares at a weighted average exercise price of 142 pence per share for total consideration of £334,000. The weighted average share price at exercise date was 454 pence per share. The Company subsequently repurchased 233,049 of these shares at a weighted average price of 443 pence per share. The total consideration payable on repurchase (including stamp duty) amounted to £1,033,000.

During the year, upon settlement of the Company's long term incentive plan, options over 544,968 shares with an exercise price of £Nil, and 62,024 shares transferred from treasury were awarded to senior executives. The Company settled the remainder of the long term incentive plan awards for cash consideration of £1,239,000.

Following these transactions, at the end of the year the number of shares was 13,141,867 (2013: 13,136,448) of which shares held in treasury numbered 509,268 (2013: 572,784). The treasury shares will be used to help satisfy the requirements of the Group's share incentive schemes.

SHARE OPTIONS

EMPLOYEE SHARE OPTION SCHEME

The Group issues share options to directors and to employees under an HM Revenue and Customs approved Enterprise Management Incentive (EMI) scheme and for awards which do not qualify for EMI, an unapproved scheme. Generally, with the exception of share options arising from the Company's long term incentive plan, the exercise price for share options is equal to the mid-market opening quoted market price of the Company's shares on the date of grant, and in general, they vest evenly over a period of one to three years following grant date. If share options remain unexercised after a period of ten years from the date of grant, the options expire. Share options are forfeited in some circumstances if the employee leaves the Group before the options vest, unless otherwise agreed by the Group.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2014		2013	
	Average exercise price per share Pence	Options No	Average exercise price per share Pence	Options No
OUTSTANDING AT 1 JANUARY	**127.2**	**835,166**	127.4	900,215
Granted	**-**	**544,968**	-	-
Lapsed	**11.4**	**(602)**	94.0	(2,006)
Exercised	**139.3**	**(239,960)**	130.7	(63,043)
OUTSTANDING AT 31 DECEMBER	**63.6**	**1,139,572**	127.2	835,166
EXERCISABLE AT 31 DECEMBER	**63.6**	**1,139,572**	121.8	810,791

11 SHARE CAPITAL continued

The weighted average share price at date of exercise of options exercised during the year was 452 (2013: 241.4) pence. The 544,968 options granted during the year were awarded in settlement of the Company's long term incentive plan. These options are exercisable on grant and expire on 28 May 2020. No options were granted in 2013. At 31 December, the Group had the following outstanding options and exercise prices:

	2014			2013		
Expiry date	Average exercise price per share Pence	Options No	Weighted average remaining contractual life Months	Average exercise price per share Pence	Options No	Weighted average remaining contractual life Months
2014	-	-	-	11.4	6,021	3.0
2015	-	-	-	62.3	35,826	16.0
2016	**62.3**	**6,022**	**21.0**	62.3	15,055	28.8
2017	**162.5**	**150,533**	**25.0**	162.5	150,533	37.0
2018	**147.5**	**49,716**	**39.0**	147.5	74,771	51.0
2019	**94.0**	**54,902**	**49.0**	94.0	135,368	61.0
2020	**35.2**	**861,399**	**64.4**	96.0	344,464	75.3
2021	**286.0**	**17,000**	**82.0**	296.3	45,064	92.1
2022	-	-	-	296.5	28,064	97.0
AT 31 DECEMBER	**63.6**	**1,139,572**	**57.4**	127.2	835,166	61.6

LONG TERM INCENTIVE PLAN

In 2010 the Company established a long term incentive plan for senior executives. All awards vested on 30 April 2014. Upon settlement of the plan, options over 544,968 shares with an exercise price of £Nil, and 62,024 shares transferred from treasury were awarded to senior executives. The Company settled the remainder of the long term awards for cash consideration of £1,239,000.

As a result of the settlement of the scheme no units were outstanding as at 31 December 2014 (2013: 10,000).

SHARE-BASED PAYMENT CHARGE

The total charge for the year relating to equity-settled employee share-based payment plans (for both the employee stock option plan and the senior executive long term incentive plan) was £67,000 (2013: £148,000).

12 PROVISIONS

	Sabbatical provision £'000	Dilapidation provisions £'000	Total £'000
AT 1 JANUARY 2013	189	80	269
Provided in the year	361	-	361
Utilised in the year	(33)	-	(33)
Exchange differences	(1)	-	(1)
AT 31 DECEMBER 2013	516	80	596
Provided in the year	99	-	99
Utilised in the year	(58)	-	(58)
AT 31 DECEMBER 2014	**557**	**80**	**637**
Of which:			
Current	203	66	269
Non-current	354	14	368
	557	**80**	**637**

The Group has a sabbatical leave scheme, open to all employees. The scheme provides 20 days paid leave for each successive period of 6 years' service.

There is no proportional entitlement for shorter periods of service. The provision for the liabilities under the scheme is measured using the projected unit credit method. The calculation of the provision assumes an annual rate of growth in salaries of 5% (2013: 7%), a discount rate of 2.5% (2013: 3%), based upon good quality 6-year corporate bond yields, and an average staff turnover rate of 15% (2013: 15%).

Dilapidation provisions represent the Group's best estimate of costs required to meet its obligations under property lease agreements.

13 TRADE AND OTHER PAYABLES

	2014 £'000	2013 £'000
Trade payables	**1,187**	1,402
Social security and other taxes	**623**	600
Accruals and deferred income	**3,733**	4,334
	5,543	6,336

Trade and other payables are due within one year and are not interest bearing. The contractual terms for the payment of trade payables are generally 45 days from receipt of invoice.

14 COMMITMENTS

The Group leases offices under non-cancellable operating leases for which the future aggregate minimum lease payments are as follows:

	2014 £'000	2013 £'000
No later than 1 year	**375**	409
Later than 1 but no later than 5 years	**448**	479
	823	888

Included within the amounts disclosed above, the Group has the benefit of seven months rent free for the first three years of a lease with an annual rental commitment of £163,000. At this and the comparative balance sheet date no rent free month was outstanding. The benefit of the rent free months was spread over the period of the lease to the first break point in 2013.

15 EXPENSES BY NATURE

	2014 £'000	2013 £'000
Employee benefit expense	**10,887**	11,563
Depreciation and amortisation	**426**	465
Net foreign exchange losses	**77**	114
Other expenses	**8,954**	8,765
	20,344	20,907
Analysed as:		
Cost of sales	**5,235**	5,370
Administrative expenses	**15,109**	15,537
	20,344	20,907

16 PROFIT BEFORE TAXATION

Profit before taxation is stated after charging:

	2014 £'000	2013 £'000
SERVICES PROVIDED BY THE COMPANY'S AUDITOR AND ITS ASSOCIATES		
Fees payable to the Company's auditor for the audit of the parent company and consolidated financial statements	**42**	38
Fees payable to the Company's auditor and its associates for other services:		
- Audit-related assurance services	**19**	3
- Taxation compliance services	**65**	27
- Tax advisory services	**47**	9
- Other services	**7**	3
OPERATING LEASE EXPENSES:		
Land and buildings	**490**	465
DEPRECIATION AND AMORTISATION	**426**	465
NET LOSS ON FOREIGN CURRENCY TRANSLATION	**77**	114

17 EMPLOYEE BENEFIT EXPENSE

The average number of staff employed by the Group during the financial year amounted to:

	2014 No	2013 No
NUMBER OF ADMINISTRATIVE STAFF	**152**	138

The aggregate employment costs of the above were:

	2014 £'000	2013 £'000
Wages and salaries	**8,775**	8,948
Social security costs	**1,244**	1,372
Pension costs – defined contribution plans	**257**	263
Long service leave cost	**41**	327
Share based remuneration	**67**	148
Redundancies	**27**	123
Medical benefits	**476**	382
	10,887	11,563

The directors have identified 6 (2013: 6) key management personnel, including three executive and three non-executive directors.

Compensation to key management is set out below:

	2014 £'000	2013 £'000
Short-term employee benefits (salaries, bonuses and benefits in kind)	**649**	782
Post-employment benefits (pension costs – defined contribution plans)	**32**	31
Share-based payment	**17**	55
	698	868

Details of directors' emoluments are given in the Remuneration Report on page 19.

18 FINANCE INCOME AND COSTS

	2014 £'000	2013 £'000
Bank interest receivable	**-**	1
Other interest payable	**(15)**	(9)
NET FINANCE COSTS	**(15)**	(8)

19 INCOME TAX EXPENSE

	2014 £'000	2013 £'000
Current tax	**1,298**	1,298
Deferred tax	**91**	(177)
	1,389	1,121

19 INCOME TAX EXPENSE continued

Income tax expense for the year differs from the standard rate of taxation as follows:

	2014 £'000	2013 £'000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	**4,286**	3,556
Profit on ordinary activities multiplied by standard rate of tax of 21.45% (2013: 23.2%)	**919**	825
Difference between tax rates applied to Group's subsidiaries	**299**	87
Expenses not deductible for tax purposes	**74**	9
Tax on intra-group management charges (Brazil and China)	**161**	204
Adjustment to current tax in respect of prior years	**(11)**	2
Credit on exercise of share options taken to income statement	**(53)**	(6)
TOTAL TAX	**1,389**	1,121

20 DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2014 £'000	2013 £'000
Deferred tax assets:		
- Deferred tax assets to be recovered after more than 12 months	**445**	476
- Deferred tax assets to be recovered within 12 months	**409**	226
	854	702
Deferred tax liabilities:		
- Deferred tax liability to be recovered within 12 months	**(40)**	(32)
DEFERRED TAX ASSET (NET):	**814**	670

The gross movement in deferred tax is as follows:

	2014 £'000	2013 £'000
AT 1 JANUARY	**670**	293
Foreign exchange differences	**2**	(6)
Income statement credit	**(91)**	177
Tax credited directly to equity	**233**	206
AT 31 DECEMBER	**814**	670

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

DEFERRED TAX ASSETS

	Other provisions £'000	Overseas tax losses £'000	Share options £'000	Dilapidation provisions £'000	Sabbatical provision £'000	Total £'000
AT 1 JANUARY 2014	8	85	476	13	120	702
Foreign exchange differences	-	(5)	6	-	2	3
Charged to income statement	(11)	(25)	(45)	-	(3)	(84)
Credited directly to equity	-	-	233	-	-	233
AT 31 DECEMBER 2014	**(3)**	**55**	**670**	**13**	**119**	**854**

20 DEFERRED TAX continued

DEFERRED TAX LIABILITIES

	Accelerated capital allowances £'000
AT 1 JANUARY 2014	(32)
Foreign exchange differences	(1)
Charged to income statement	(7)
AT 31 DECEMBER 2014	**(40)**

There are no unrecognised deferred tax assets. Deferred tax assets are recognised only to the extent that their recoverability is considered probable. The deferred tax asset in respect of the Company's share option scheme relates to corporate tax deductions available on exercise of employee share options.

21 EARNINGS PER SHARE

(A) BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Ordinary Shares in issue during the year.

	2014	2013
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (£'000)	**2,897**	2,435
Weighted average number of Ordinary Shares in issue	**12,613,136**	12,563,664
BASIC EARNINGS PER SHARE	**23.0p**	19.4p

(B) DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding assuming conversion of all dilutive share options to Ordinary Shares.

	2014	2013
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY AND PROFIT USED TO DETERMINE DILUTED EARNINGS PER SHARE (£'000)	**2,897**	2,435
Weighted average number of Ordinary Shares in issue	**12,613,136**	12,563,664
Share options	**978,342**	426,759
Weighted average number of Ordinary Shares for diluted earnings per share	**13,591,478**	12,990,423
DILUTED EARNINGS PER SHARE	**21.3p**	18.7p

22 DIVIDENDS PER SHARE

	2014 £'000	2013 £'000
Dividends paid on Ordinary Shares		
Interim, 1 pence per share (2013: 0.9 pence per share)	**126**	112
Special dividend, 12 pence per share (2013: 12 pence per share)	**1,512**	1,508
	1,638	1,620
Final dividend relating to 2013, 3 pence per share (2013: 2.25 pence per share relating to 2012)	**378**	283
TOTAL ORDINARY DIVIDENDS PAID IN THE YEAR	**2,016**	1,903

22 DIVIDENDS PER SHARE continued

The directors are proposing a final dividend in respect of the year ended 31 December 2014 of 3.3 pence per share. These financial statements do not reflect this proposed dividend.

23 RELATED PARTY TRANSACTIONS

During the year the Company's long term incentive plan for senior executives vested. In settlement John Kearon received cash of £656,000 and both James Geddes and Alex Batchelor were each awarded options over 125,722 shares in the Company at an exercise price of £Nil per share.

	2014 £	2013 £
John Kearon	**617,599**	584,477
James Geddes	**25,332**	23,986
Alex Batchelor	**16,296**	15,431
Ken Ford	**3,200**	3,030
Robert Brand	**4,800**	4,545
Graham Blashill	**800**	758
	668,027	632,227

24 NET CASH GENERATED FROM OPERATIONS

	2014 £'000	2013 £'000
PROFIT BEFORE TAXATION	**4,286**	3,556
Depreciation	**108**	136
Amortisation	**317**	329
Gain on disposal of available for sale investments	**-**	(14)
Interest paid	**15**	8
Share-based payment expense	**67**	148
Decrease/(increase) in inventory	**43**	(187)
Decrease/(increase) in receivables	**620**	(1,519)
(Decrease)/increase in payables	**(752)**	2,890
Exchange differences on operating items	**(32)**	(4)
NET CASH GENERATED FROM OPERATIONS	**4,672**	5,343

25 SEASONALITY OF REVENUES

Group revenues tend to be higher in the second-half of the financial year than in the first six months.

For the year ended 31 December 2014, revenues for the second half of the year represented 55% of total revenues compared to 56% for the year ended 31 December 2013.

26 AUDIT EXEMPTION

BrainJuicer Limited, company number 03900547, is exempt from the requirements for the Companies Act 2006 relating to the audit of accounts under section 479A.

Company Balance Sheet

As at 31 December 2014

	Note	2014 £'000	2013 £'000
FIXED ASSETS			
Tangible assets	3	**909**	1,054
Investments	4	**581**	581
		1,490	1,635
CURRENT ASSETS			
Stock – work in progress		**1**	5
Debtors	5	**1,477**	1,158
Cash at bank		**2,784**	2,047
		4,262	3,210
CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR	6	**(1,070)**	(1,553)
NET CURRENT ASSETS		**3,192**	1,657
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,682**	3,292
CAPITAL AND RESERVES			
Share capital	7	**131**	131
Share premium account	8	**1,580**	1,579
Retained earnings	8	**2,971**	1,582
EQUITY SHAREHOLDERS' FUNDS		**4,682**	3,292

REGISTERED COMPANY NO. 05940040

These financial statements were approved by the directors on 19 March 2015 and are signed on their behalf by:

JOHN KEARON
Director

JAMES GEDDES
Director

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The separate financial statements of the Company are presented as required by the Companies Act 2006. They have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and law. The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

INVESTMENTS

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

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write-off the cost of all property, plant and equipment to its residual value on a straight-line basis over its useful economic life. Depreciation rates are as follows:

Computer hardware	2 to 3 years
Furniture, fittings and equipment	5 years
Software	2 to 7 years

Assets in the course of construction and not yet ready for use are not depreciated until completed and ready for use.

DEBTORS

Debtors are stated at nominal value reduced by estimated irrecoverable amounts.

RELATED PARTY TRANSACTIONS

In accordance with Financial Reporting Standard Number 8: Related Party Disclosures, the company is exempt from disclosing transactions with wholly-owned entities that are part of the BrainJuicer Group as it is a parent company publishing consolidated financial statements.

SHARE-BASED PAYMENTS

Equity-settled, share-based payments are measured at fair value at the date of grant. Equity-settled, share-based payments that are made available to employees of the Company's subsidiaries are treated as increases in equity over the vesting period of the award, with a corresponding increase in the Company's investments in subsidiaries, based on an estimate of the number of shares that will eventually vest.

2 PROFIT FOR THE YEAR

The Company has made full use of the exemptions as permitted by Section 408 of the Companies Act 2006 and accordingly the profit and loss account of the Company is not presented as part of the accounts. The parent company profit for the year to 31 December 2014 of £5,276,000 (2013: £1,308,000) is included in the Group profit for the financial year. Details of executive and non-executive directors' emoluments and their interest in shares and options of the company are shown within the directors' remuneration report on pages 19 to 20.

3 TANGIBLE ASSETS

	Computer hardware £'000	Furniture and equipment £'000	Software £'000	Total £'000
COST				
AT 1 JANUARY 2014	497	153	1,604	2,254
Additions	244	-	-	244
AT 31 DECEMBER 2014	**741**	**153**	**1,604**	**2,498**
ACCUMULATED DEPRECIATION				
AT 1 JANUARY 2014	363	150	687	1,200
Provided in the year	158	2	229	389
AT 31 DECEMBER 2014	**521**	**152**	**916**	**1,589**
NET BOOK AMOUNT				
AT 31 DECEMBER 2014	**220**	**1**	**688**	**909**
AT 31 DECEMBER 2013	134	3	917	1,054

4 INVESTMENTS

	Group companies £'000
COST AND NET BOOK AMOUNT	
AT 1 JANUARY 2014 AND AT 31 DECEMBER 2014	**581**

SUBSIDIARY UNDERTAKINGS

Details of subsidiary undertakings at 31 December 2014 are as follows:

	Country of incorporation
BrainJuicer Limited*	UK
BrainJuicer BV	Netherlands
BrainJuicer Inc	USA
BrainJuicer Canada Inc.	Canada
BrainJuicer Sarl	Switzerland
BrainJuicer GmbH	Germany
BrainJuicer Marketing Consulting (Shanghai) Co., Ltd	China
BrainJuicer Do Brazil Servicos de Marketing LTDA	Brazil
BrainJuicer Srl	Italy
BrainJuicer France SARL	France
BrainJuicer Market Research Pte Ltd	Singapore
BrainJuicer India Private Limited	India

BrainJuicer Limited is a wholly owned direct subsidiary of BrainJuicer Group PLC. The remaining subsidiaries are each wholly owned direct subsidiaries of BrainJuicer Limited. The activities of all companies are the provision of online market research services.

5 DEBTORS

	2014 £'000	2013 £'000
Trade debtors	**81**	50
Amounts due from group undertakings	**1,092**	718
Prepayments	**224**	185
Other debtors	**46**	62
Corporation tax recoverable	**24**	-
Deferred tax asset	**10**	143
	1,477	1,158

6 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Trade creditors	**193**	238
Corporation tax	**-**	52
Accruals and deferred income	**877**	1,263
	1,070	1,553

7 SHARE CAPITAL

Allotted, called up and fully paid:

	Number	£'000
AT 1 JANUARY 2014 AND 1 JANUARY 2013	13,136,448	131
Exercise of share options	5,419	-
AT 31 DECEMBER 2014	**13,141,867**	**131**

8 RESERVES

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
AT 1 JANUARY 2014	131	1,579	1,582	3,292
Exercise of share options	-	1	-	1
Share-based payments	-	-	67	67
Profit for the financial year	-	-	5,276	5,276
Dividend paid	-	-	(2,016)	(2,016)
Sale of treasury shares	-	-	334	334
Purchase of own shares	-	-	(1,033)	(1,033)
Settlement of long term incentives	-	-	(1,239)	(1,239)
AT 31 DECEMBER 2014	**131**	**1,580**	**2,971**	**4,682**

9 AUDIT EXEMPTION

BrainJuicer Limited, company number 03900547, is exempt from the requirements for the Companies Act 2006 relating to the audit of accounts under section 479A.

Company Information

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