Hemscott Limited

Directors' report and financial statements

Year ended 31 December 2011
Registered number 27883

Hemscott Limited

Contents Pg

Directors' Report

The directors present their annual report on the affairs of the group and the audited financial statements for the year ended 31 December 2011 The registered number of the company is 00027883

On 5th August 2011 the ultimate parent company Ipreo Holdings LLC was acquired by IH Holdings (Cayman) L P (Parent) and merged into a wholly owned subsidiary of the Parent, with Ipreo Holdings LLC continuing as a limited liability company On 20th September 2011 a restructure of the UK group was completed and the ownership of the UK subsidiaries of Hemscott Limited were transferred from Hemscott Limited to it's own US subsidiary Hemscott Americas Inc

In addition to the restructuring steps as noted above a buy back of the Hemscott Americas stock from Hemscott Limited for consideration of $58m was effected the consideration being by way of a vendor loan note The maturity date of the Buy Back loan note is 15 August 2018 and it bears interest at a blended rate of 9 67% The creation of the debt within the group has resulted in the creation of a net liability position from that of a net asset position

The directors do not propose a dividend for the year (2010 £nil)

Review of Business

Principal Activities

Hemscott is a leading international supplier of high quality business and financial information and online corporate investor relations solutions to clients in the UK, Europe and North America
References to 'the Group" below relate to Hemscott Limited and to its subsidiaries and not to the wider Ipreo group of companies

Results

Revenue growth was 7% year on year (2010 7%) reflecting sustainable organic growth and the continued focus on core products Operating costs decreased by 2% reflecting general cost efficiencies

Both revenue and costs continue to be impacted by the strength of the US dollar against Sterling however the majority of the group s revenue and costs are denominated in US Dollar providing a natural hedge against movements in foreign exchange

Revenue

Bigdough Capital Markets

Bigdough our CRM and communications platform for the capital markets community which now forms the principal part of our revenue has enjoyed continued and consistent growth of 8% (2010 7%) due to the sustained sales focus on core products and continuing roll out of updated versions of the product

Investor Relations Services

Our UK corporate investor relations website business has also performed well increasing by 5% (2010 7%) a sustainable level of growth

Profit

Operating profit for the continuing activities of the Group increased year on year from a profit of £309k (2010 restated) to a profit of £2 070k principally due to the organic revenue growth and general cost efficiencies

The group has no liability to UK taxation (2010 £nil) As at 31 December 2011 the group has UK tax trading losses available to carry forward against profits of the same trade of approximately £4 2m (2010 Cash at the end of the year was £4 6m (at 31 December 2010 £5m)

Net cash inflow from operating activities for the year totalled £1 2m (2010 outflow of £9 3m) reflecting normal operating activities compared to 2010 being due to a series of intercompany transactions adversely impacting operating cash

The Group s cash is invested in short-term deposits and current accounts with the major banks and building societies The treasury strategy is controlled through a Treasury Committee of the company's parent, comprising the Chief Executive Officer and the Chief Financial Officer and operates in accordance with the documented policies and procedures approved by the Board

Future developments

Despite difficult trading conditions the business continues to grow reflecting the strength of our core product and continued innovation and evolution of it. Investment in sales resources and the product is reflected in this growth and we expect the growth to continue at this modest pace for the foreseeable future

Bank financing

On August 5th 2011, Kohlberg Kravis Roberts & Co L P ("KKR") completed its acquisition of Ipreo Holdings LLC ("Ipreo") As part of the financing of the acquisition Ipreo entered into a new $135 million senior secured credit facility (consisting of a $115 million term loan and a $20 million revolver) and issued $70 million of senior subordinated notes The revolver was undrawn at close Ipreo s previous BMO $70m credit facility was repaid as part of the KKR transaction and replaced with Intercompany funding

Financial and non-financial KPI's

The Group has always measured itself primarily on financial KPI's derived from the profit and loss cashflow and balance sheet which are commented on in this business review Another important KPI for the group is the level of deferred income which at 31 December 2011 was £8 3m (2010 £7 5m)

Employees

The Group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the group This is achieved through formal and informal meetings The Group operates an equal opportunities policy and is opposed to any form of less favourable treatment afforded on the grounds of for example disability gender race sexual orientation or religion

Research and development

The company continues to invest significantly in product development The combination of Hemscott I-Deal and Marketpipe as part of the Ipreo group in 2006 has brought together a complimentary set of products designed to serve the investment community Research and development continues to be focused on integrating and further enhancing the products of the three companies as well as enhancing a number of back office systems

Risks and uncertainties

There are risks and uncertainties relevant to the Group s business The factors listed below are among those that the Group thinks could cause the Group s actual results to differ materially from expected and historical results

Risk that R&D will not deliver commercially successful new products

Continued development of commercially viable new products is critical to the Group s ability to grow and stay ahead of the competition Developing new products is a costly lengthy and uncertain process New products may appear promising in development but, after significant investment may have limited commercial success

Third party competition

The Group operates in highly competitive businesses Significant product innovations technical advances or the intensification of price competition by competitors could adversely affect the Group s operating results

Directors' Report continued

Reliance on information technology
The Group is dependent on information technology systems including Internet-based systems for internal communication and delivering products and services to customers Any significant disruption of these systems whether due to computer viruses or other outside incursions could materially and adversely affect the Group's operations

Exposure to foreign exchange fluctuations
The Group conducts a substantial portion of its operations outside the UK primarily in the US and Europe Fluctuations in exchange rates between Sterling and the US dollar / Euro could materially affect the Group s financial results

Human resources
The Group has approximately 116 employees (2010 116 employees) in the UK, and US Failure to continue to recruit and retain the right people and maintain a culture of compliance could have a significant adverse effect on the Group

Bank and other financing
New long term debt financing was established in connection with the acquisition of Ipreo Holdings LLC by IG Holdings (Cayman) L P consisting of a $115 million term loan and a $20 million revolver This facility is secured by all of the assets of Ipreo Holdings LLC and it subsidiaries and contains financial and non financial covenants and negative covenants At December 31 2011 Ipreo Holdings LLC is in compliance with all covenants Ipreo s previous $70m credit facility was repaid as part of the KKR transaction

In addition as part of the restructure the group entered into two new loans with other group companies The two loan notes totalling $41 885k mature on August 15th 2018 and bear interest at a blended rate of 9 67% compounded semi anually on April 30 and October 31 each year

Directors
Gary Brian Dockray
Paul Lucas
Scott Ganeles

Directors Indemnity
The company's Articles of Association provide subject to the provisions of UK legislation an indemnity for directors and officers of the company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted or alleged to have been done or omitted by them as officers or employees of the company

Appropriate directors and officers liability insurance cover is in place in respect of all of the company s directors

Our previous auditors Mazars LLP resigned during the year and the directors appointed KPMG LLP to fill the casual vacancy arising Pursuant to s487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

Charitable and Political Donations
Charitable donations of £nil were made during the year (2010 £nil) No political donations were made during the year (2010 £nil)

Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' 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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law(UK 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 of the group and parent company financial statements and of the profit or loss for that period In preparing each of the group and parent company financial statements the directors are required to
- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

Auditors
Each of the persons who is a director at the date of approval of this report confirm that
- so far as the director is aware there is no relevant audit information of which the Company's auditors are unaware and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company s auditors are aware of that information

By order of the Board
Paul Lucas
Director
Date
Company number 27883

13TH November 2012

Registered Office
1st Floor
Castle House
37 - 45 Paul Street
London EC2A 4LS
United Kingdom

Independent auditor's report to the member of Hemscott Limited

We have audited the financial statements of Hemscott Limited for the year ended 31 December 2011 set out on pages 6 to 17 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 APB s website at www frc org uk/apb/private cfm

Opinion on the financial statements

In our opinion the financial statements

give a true and fair view of the state of the group s and the parent company's affairs as at 31 December 2011 and of the group s loss for the year then ended,

have been properly prepared in accordance with UK Generally Accepted Accounting Practice and

have been properly prepared in accordance with the requirements of the Companies Act 2006

Opinion on the other matter prescribed by the Companies Act 2006

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

John Bennett

John C Bennett (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

14 November 2012.

Hemscott Limited

Consolidated profit and loss account

For the year ended 31 December 2011

	Notes	2011 £ 000	Restated 2010 £'000
Turnover	2	**20 885**	19 522
Operating expenses	3	**(18 815)**	(19 213)
Operating profit	6	**2 070**	309
Interest receivable and similar income	4	**495**	451
Interest payable and similar charges	5	**(2,101)**	(775)
Profit/(loss) on ordinary activities before taxation		**464**	(15)
Tax charge on profit/ (loss) on ordinary activities	8	**(1,409)**	(1 107)
Retained loss for the financial year	17	**(945)**	(1 122)

All operations in the current financial year are continuing

Consolidated statement of total recognised gains and losses

For the year ended 31 December 2011

	2011 £ 000	Restated 2010 £ 000
Loss for the financial year	**(945)**	(1 122)
Currency translation difference on foreign currency net investments	**(494)**	(113)
	(1,439)	(1 235)
Prior year adjustment	**2,384**	
Total profit /(losses) recognised relating to the period and since last annual report and financial statements	**945**	(1 235)

Hemscott Limited

Consolidated balance sheet

31 December 2011

	Notes	2011 £'000	Restated 2010 £'000
Fixed assets			
Goodwill	9	7 966	10 709
Tangible assets	10	802	911
Investments	11	155	155
		8 923	11 775
Current Assets			
Debtors - amounts falling due within one year	13	21 251	24 677
Debtors - amounts falling due after one year	13	7,294	7 713
Cash at bank and in hand		4,612	4,959
		33,157	37 349
Creditors Amounts falling due within one year	14	(18,993)	(13 569)
Net current assets		14,164	23,780
Total assets less current liabilities		23,087	35,555
Creditors Amounts falling due after more than one year	15	(41,903)	(11 038)
Net (liabilities)/assets		(18 816)	24 517
Capital and reserves			
Called up share capital	16		3 660
Capital redemption reserve	17		1 513
Other reserves	17	-	1 703
Profit and loss account	17	(18,816)	17,641
Shareholder's funds - equity	17	(18 816)	24 517

The financial statements were approved by the board of directors on 13th NOVEMBER 2012 and signed on its behalf by

Paul Lucas
Director

Hemscott Limited

Company balance sheet

31 December 2011

	Notes	2011 £ 000	2010 £ 000
Fixed Assets			
Investments	12	6,751	16,477
		6 751	16 477
Current assets			
Debtors amounts falling due within one year	13	162	1 303
Debtors - amounts falling due after one year	13	159	159
Cash at bank and in hand		11	11
		332	1 473
Creditors Amounts falling due within one year	14	(246)	(2 613)
Net current liabilities		86	(1,140)
Total assets less current liabilities		6,837	15,337
Creditors Amounts falling due after more than one year	15		(273)
		6,837	15 064
Capital and Reserves			
Called up share capital	16		3 660
Capital redemption reserve	17		1 513
Other reserves	17		8 639
Profit and loss account	17	6,837	1,252
Shareholder's funds - equity	17	6,837	15 064

The financial statements were approved by the board of directors on 13TH NOVEMBER 2012 and signed on its behalf by

Paul Lucas
Director
Company number 27883

Consolidated cash flow statement
For the year ended 31 December 2011

	Notes	2011 £ 000	2010 £ 000
Net cash inflow / (outflow) from operating activities	18	**1 208**	(9 322)
Returns on investments and servicing of finance	19	**(375)**	(344)
Taxation	19	**(550)**	(1 501)
Capital expenditure and financial investments	19	**(628)**	(330)
Cash outflow before management of liquid resources and financing		**(345)**	(11 497)
Financing	19		14 155
(Decrease)/increase in cash in the year	20	**(345)**	2 658

Notes to the Financial Statements
For the year ended 31 December 2011

1 Principal accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and have been prepared on the going concern basis The entity receives financial support from its ultimate parent company Ipreo Holdings LLC as explicitly stated in the Letter of Support addressed to the Board of Directors of the company dated 9th November 2012 The directors consider that the group is able to meet its liabilities as they fall due and the preparation of the accounts on a going concern basis is appropriate

Basis of accounting
The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Basis of consolidation
The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December each year The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed Acquisitions are accounted for under the acquisition method

With effect from 15 August 2000 the company then named Bridgend Group plc became the legal parent company of Hemscott Holdings Limited and its subsidiary undertakings in a share for share transaction Due to the relative values of the companies reverse acquisition accounting was adopted as the basis of consolidation Bridgend Group plc was brought into the consolidation from 15 August 2000 the date of the reverse acquisition at fair values at that date and the reserves of the Group are based on the pre-combination reserves of the Hemscott Holdings Limited group

Prior year adjustment

In 2010, the group recognised in error a £2 071 000 accounting charge in relation to share based payments Upon reassessing the terms of the arrangement the Directors concluded that the company did not have an obligation to settle the share based payment As such the arrangement qualifies as a equity settled share based payment and the charge which was calculated on a cash settled basis was therefore recorded in error The comparatives have been restated accordingly and the net effect of the adjustment has been to increase net assets by £2 383 000 at 31 December 2010 Net assets at 1 January 2010 have also increased by £313 000 as a result of reversing the liability for share based payments transactions that were recognised in earlier periods

Turnover
Turnover the portion of invoicing that relates to the financial reporting period represents amounts receivable from customers for goods and services provided in the normal course of business net of VAT and other sales related taxes Sales under contracts covering future periods which are invoiced quarterly or annually in advance are deferred and credited to the profit and loss account over the period to which they relate

Goodwill
Goodwill arising on the acquisition of subsidiary undertakings and businesses representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight line basis over its useful economic life of ten years Provision is made for any impairment

Tangible fixed assets
Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows

- Short leasehold properties - over the term of the lease
- Computer equipment and software (including capitalised cost assets) - three years
- Fixtures and fittings - three years

Investments
Fixed asset investments are shown at cost less provision for any impairment

Taxation
UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the group s taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Foreign currency

Transactions in foreign currency are recorded at the rate of exchange at the date of the transaction or if hedged, at the forward contract rate Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange at that date These translation differences are dealt with in the profit and loss account

For consolidation purposes, the profit and loss accounts of the foreign subsidiaries are translated into sterling at the average rate of exchange for the year and the balance sheets are translated into sterling at the closing rate of exchange and where applicable the difference arising from the translation of the opening net investment in subsidiaries at the closing rate is taken directly to reserves

Notes to the Financial Statements continued
For the year ended 31 December 2010

Leases

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives The finance charges are allocated over the period of the lease in proportion to the capital element outstanding
Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis Benefits received or receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term in which case the shorter period is used

Development costs

Design and content development costs are capitalised to the extent that they lead to the creation of an enduring asset, which delivers benefits at least as great as the amount capitalised If there is insufficient evidence upon which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are next updated the costs of developing the design and content are charged to the profit and loss account as incurred

Amortisation is provided on capitalised costs at rates calculated to write off the capitalised cost of the assets evenly over the useful life of 3 years

Presentation of company profit and loss
As permitted under Section 408 of the Companies Act 2006 the company has not presented its own profit and loss account which is presented to the board and approved at the date of signing these accounts

2 Segmental reporting

	2011 £ 000	2010 £'000
Business information services	20,885	19 522
	20,885	19 522

Geographical segments	2011 £'000	2010 £'000
Turnover by origin		
Europe	3,186	2 943
North America	17,699	16,579
	20,885	19 522

The turnover by destination is not materially different to that by origin

3 Operating expenses	2011 £'000	Restated 2010 £'000
Staff costs (note 7)	6,915	7 245
Other external charges	8,885	8 586
Depreciation and amortisation	3,015	3 383
	18,815	19 214

Having regard to the nature of the company's business the analysis of operating costs as prescribed by the Companies Act 2006 is not meaningful In the circumstances as prescribed by section 410, the Directors have adapted the prescribed format to the requirements of the Company's business

4 Interest receivable and similar income	2011 £'000	2010 £'000
Interest on intercompany loan	495	431
Foreign exchange gain	-	20
	495	451

5 Interest payable and similar charges	2011 £'000	2010 £'000
Loan interest payable	940	775
Interest on intercompany loan	1,149	-
Foreign exchange loss	12	-
	2 101	775

Notes to the Financial Statements continued

For the year ended 31 December 2011

6 Operating (loss)/ profit

Operating (loss)/ profit is stated after charging		2011 £'000	Restated 2010 £ 000
Depreciation on owned assets and capitalised development costs	note 10	735	1 105
Amortisation of goodwill	note 9	2 709	2 278
Operating lease rentals-land and buildings		181	181
Fees paid to KPMG /Mazars LLP for the audit of the group and company financial statements		17	17
Fees paid to KPMG/ Mazars LLP for the audit of subsidiaries pursuant to legislation		57	57

7 Staff costs and directors remuneration

The average monthly number of employees (including executive directors) was	2011 number	2010 number
Sales and marketing	40	40
Content and editorial	38	39
Product Development	4	3
Information technology	17	16
Administration	17	18
	116	116

Staff costs (including executive directors)	2011 £ 000	Restated 2010 £'000
Wages and salaries	6,124	6 480
Social security costs	546	545
Other pension costs	245	219
	6,915	7 244

The directors of the company are also directors of other entities in the wider Ipreo group and their emoluments are disclosed in the financial statements of those entities as appropriate It is not practical to allocate the amount paid to the directors for their services as directors of this company

8 Taxation

(a) Analysis of charge in the period

Current Tax	2011 £'000	2010 £ 000
UK corporation tax on profits for the period	-	
Overseas corporation tax charge	1 659	1 734
Prior year adjustment	(511)	-
Current tax charge for the year (see (b) below)	1,148	1,734
Deferred Tax		
Origination and reversal of temporary differences	261	(627)
Total deferred tax	261	(627)
Tax charge on (loss)/ profit on ordinary activities	1,409	1 107

(b) Factors affecting tax charge for the year

The tax assessment for the period is higher than the standard rate in the UK (26 5 per cent) The differences are explained below	2011 £000	Restated 2010 £000
(Loss)/ profit on ordinary activities before taxation	464	(2 086)
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 5% (2010 28%)	123	(584)
Effects of		
Expenses not deductible for tax purposes primarily goodwill amortisation	943	1 400
Non taxable income	(3)	
Depreciation/ amortisation in excess of capital allowances	-	12
Rate differences on overseas earnings	589	433
UK group relief claimed for no payment	61	48
Utilisation /(Creation) of UK tax losses not recognised	204	(11)
Other temporary differences	(258)	436
Adjustment in respect of prior year	(511)	
Current tax charge for the year	1 148	1 734

Notes to the Financial Statements continued

For the year ended 31 December 2011

(c) Deferred tax	2011	2010
The deferred tax included in the balance sheet is as follows	£000	£000
Included in debtors-amounts falling due within one year	492	501
Included in creditors-amounts falling due within one year	(571)	(319)
Total recognised deferred tax asset/ (liability)	(79)	182
Accelerated capital allowances	(559)	(325)
Other temporary differences	480	507
Total recognised deferred tax asset/ (liability)	(79)	182
Deferred tax liability at the start of the year	182	(430)
Exchange difference	-	(15)
Deferred tax credit for the year	(261)	627
Total recognised deferred tax asset/ (liability)	(79)	182
The amount of unprovided deferred tax is disclosed below		
Accelerated depreciation	74	80
Other temporary differences	29	27
Losses carried forward	1,065	979
Capital losses carried forward	915	988
Total unrecognised deferred tax asset	2,083	2 074

Unrecognised deferred tax

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014 A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011 and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3July 2012 respectively
This will reduce the group s future current tax charge accordingly and further reduce the unrecognised deferred tax liability (which has been calculated based on the rate of 25% substantively enacted at the balance sheet date) by £172K.

9 Goodwill

	£'000
Cost	
At 1 January 2011	27 496
Exchange adjustment	24
At 31 December 2011	27,520
Amortisation	
At 1 January 2011	16 787
Charge for the year	2 709
Exchange adjustments	58
At 31 December 2011	19,554
Net book value at 31 December 2011	7 966
Net book value at 31 December 2010	10 709

10 Tangible fixed assets

Group	Short leasehold property and fixtures £ 000	Computer Equipment and Software £ 000	Total £ 000
Cost			
At 1 January 2011	440	5 387	5 827
Additions		627	627
Disposals		(387)	(387)
Exchange adjustments		10	10
At 31 December 2011	440	5,637	6,077
Depreciation			
At 1 January 2011	427	4 489	4 916
Charge for the year	13	722	735
Disposals	-	(387)	(387)
Exchange adjustments	-	11	11
At 31 December 2011	440	4,835	5,275
Net book value at 31 December 2011		802	802
Net book value At 31 December 2010	23	898	921

Company

The company does not have any fixed assets

Notes to the Financial Statements continued
For the year ended 31 December 2011

11 Investments

Subsidiary undertakings	Country of Incorporation	Principal Activity	Percentage of shares held
Hemscott Americas Inc	United States of America	Holding company	100%
bigdough com inc*	United States of America	Provider of business and financial information	100%
Hemscott Holdings Limited*	United Kingdom	Sales Agent	100%
H Woodward Plc*	United Kingdom	Dormant company	100%
Stocks Hotel and Country Club Limited*	United Kingdom	Dormant company	100%
Hemscott Invesment Analysis Limited **	United Kingdom	Dormant company	100%

* wholly owned subsidiary of Hemscott Americas Inc
** wholly owned subsidiary of Hemscott Holdings Limited

Group fixed asset investments	£ 000
Cost and NBV at 1 January and 31 December 2011	155

12 Company fixed asset investments

	Shares in group undertakings £'000	Loans to group undertakings £ 000	Total £'000
Cost at 1 January 2011	14 608	19 300	33 908
Disposal	(632)	(16 800)	(17 432)
Sale of assets to subsidiary	(7,225)	(2,500)	(9,725)
At 31 December 2011	6,751	-	6,751
Provision for impairment at 1 January 2011	(632)	(16 799)	(17 431)
Sale to subsidiary of investments	632	16,799	17,431
At 31 December 2011	-	-	-
Net book value at 31 December 2011	6 751	-	6 751
Net book value at 31 December 2010	13,976	2,501	16,477

During the year Hemscott Limited transferred its ownership in the UK subsidaries to Hemscott Americas Inc itself a 100% owned subsidiary of Hemscott Limited As a result the value of the investment and provisions against the investments were written off

13 Debtors

	Group		Company	
Amounts falling due within one year	**2011 £'000**	2010 £'000	**2011 £ 000**	2010 £'000
Amounts owed by group companies	15 816	19 439	41	1 178
Trade debtors	4 605	3 083	-	-
Deferred taxation		501	-	-
Corporation tax	-	784	-	-
Other taxation and social security			19	23
Other debtors	17	168	-	
Prepayments and accrued income	813	702	102	102
	21 251	24 677	162	1 303

	Group		Company	
Amounts falling due after more than one year	**2011 £ 000**	2010 £ 000	**2011 £ 000**	2010 £ 000
Amounts owed by group companies	7,118	7 112	-	-
Other debtors	176	601	159	159
	7 294	7 713	159	159

14 Creditors Amounts falling due within one year

	Group		Company	
Other creditors	**2011 £'000**	2010 £'000	**2011 £ 000**	2010 £ 000
Trade creditors	96	144	2	63
Amounts owed to related undertakings	9 640	1 580	-	
Amounts owed to group undertakings	-		224	2 480
Deferred taxation	79	319	-	
Current corporation tax	-	187	-	
Other taxation and social security	197	74		-
Bank loans and overdrafts	-	2 800		-
Other creditors	47	90		-
Accruals and deferred income	8,934	8,375	20	70
	18,993	13 569	246	2 613

Notes to the Financial Statements continued

For the year ended 31 December 2011

15 Creditors Amounts falling due after more than one year

	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
Bank loan	-	11 019	-	-
Loan to group undertakings	41,885		-	-
Other creditors	18	19	-	-
Amounts owed to group undertakings			-	273
	41,903	11,038	-	273

Bank loan

New long term debt financing was established in connection with the acquisition of Ipreo Holdings LLC by IG Holdings (Cayman) L P consisting of a $115 million term loan and a $20 million revolver This facility is secured by all of the assets of Ipreo Holdings LLC and it subsidiaries and contains financial and non financial covenants and negative covenants At December 31 2011 Ipreo Holdings LLC is in compliance with all covenants Ipreo s previous $70m credit facility was repaid as part of the KKR transaction

The two loan notes totalling $41 885k mature on August 15th 2018 and bear interest at a blended rate of 9 67% compounded semi anually on April 30 and October 31 each year

External borrowing are repayable as follows	Group 2011 £'000	Group 2010 £ 000	Company 2011 £ 000	Company 2010 £ 000
Between one and two years	-	2 800	-	273
Between two and five years	-	8 219	-	
After five years	-		-	
	-	11 019	-	273

On August 5th 2011 Kohlberg Kravis Roberts & Co L P ("KKR") completed its acquisition of Ipreo Holdings LLC ("Ipreo") As part of the financing of the acquisition Ipreo entered into a new $135 million senior secured credit facility (consisting of a $115 million term loan and a $20 million revolver) and issued $70 million of senior subordinated notes The revolver was undrawn at close The previous debt was repaid by the group s parent undertaking and replaced with intercompany financing

16 Called-up share capital	2011 £ 000	2010 £ 000
Allotted called-up and fully paid		
1 ordinary share of 5p each (2010 73 193 766)	-	3 660

To facilitate the group reorganisation the ordinary share capital of the Company was reduced by special resolution to one ordinary share of 5p with all other capital being transferred to the profit and loss account.

17 Reconciliation of movements in shareholder's funds and reserves

Group	Share capital £ 000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 1 January 2011 originally £22 127 restated for prior year adjustment of £2 383k	3 660		1 513	1 703	17 634	24 510
Currency translation differences on foreign currency net investments			-		(494)	(494)
Write back of Investment (Hemscott Limited in Hemscott Holdings Limited)			-	6 936	(6 936)	
Share issue		7 104	-	(7 104)		
Distribution to parent	-		-	-	(41 887)	(41 887)
Transfer to distributable reserves	(3 660)	(7 104)	(1 513)	(1 535)	13 812	
Retained loss for year	-	-	-	-	(945)	(945)
At 31 December 2011		-	-		(18 816)	(18,816)

Company	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 1 January 2011	3 660	-	1,513	8 639	1 252	15 064
Share issue		7 104	-	(7 104)		
Capital reduction	(3 660)	(7 104)	(1 513)	(1 535)	13,812	
Distribution to parent		-	-	-	(41 887)	(41 887)
Retained loss for year			-	-	33,660	33,660
At 31 December 2011			-		6,837	6 837

During 2011 a group reconstruction was completed following the acquisition of Ipreo Holdings LLC by KKR As part of this reconstruction a £41 9m loan note was distributed by HAI to the company As permitted by the distribution in kind provision of the Companies Act Section 846 the same instrument was distributed to the company s own parent undertaking

As permitted under Section 408 of the Companies Act 2006 the company has not presented its own profit and loss account

18 Reconciliation of operating loss to operating cash flows	2011 £'000	Restated 2010 £'000
Operating profit	2,070	309
Depreciation and asset disposals	736	1 105
Amortisation	2,278	2 278
Decrease / (Increase) in debtors	2,479	(12 541)
Decrease in creditors	(6,355)	(473)
Net cash inflow/ (outflow) from operating activities	1,208	(9 322)

Hemscott Limited

Notes to the Financial Statements continued
For the year ended 31 December 2011

19 Analysis of cash flows

	2011 £'000	2010 £'000
Returns on investments and servicing of finance		
Interest receivable of related party loan	-	431
Interest element of external loan	(375)	(775)
Interest paid	(375)	(344)
Taxation		
Foreign tax paid	(550)	(1,501)
Net cash inflow/ (outflow)	(550)	(1 501)
Capital expenditure and financial investment		
Purchase of tangible fixed assets and development costs capitalised	(628)	(330)
Net cash outflow	(628)	(330)

	2011 £'000	2010 £'000
Financing		
Repayment of existing external loan		(4 189)
New loan		13 819
Reduction in related party loan raised		4,525
Net cash (outflow)/ inflow		14 155

Following the acquisition of the group s parent undertaking all external bank debt was settled by the group's parent undertaking Ipreo Holdings LLC and replaced by a new intragroup lending facility Accordingly the company was released from its loan obligations These were replaced with intercompany funding which is viewed by the Directors as a component of working capital

20 Analysis and reconciliation of movement in net debt

	1 January 2011 £ 000	Cash flow £ 000	Non cash movements £000	Exchange movements £'000	31 December 2011 £ 000
Cash in hand at bank	4,959	(345)			4,614
	4 959	(345)			4 614
External loan	(2 800)		2 800		-
Related party loan	7 112				7 112
Debt due after one year	(11,019)		11,019		-
Net debt	(1 748)	(345)	13 819		11,726

Reconciliation of movement in net debt

	2011 £'000	2010 £'000
(Decrease)/Increase in cash in the year	(345)	2,658
Increase in net funds resulting from cash flows	(345)	2 658
Non-cash flow movements	13 819	-
Change in net debt resulting from cash flows	-	14 155
Translation difference	-	385
Increase in net debt in the year	13,474	17 198
Net debt brought forward	(1,748)	(18,946)
Net debt carried forward	11,726	(1 748)

21 Leases

	2011 Land and buildings	2010 Land and buildings
Group	£ 000	£'000
Expiry date		
between two and five years	449	432
	449	432

22 Commitments

The company does not have any capital commitments (2010 £nil) or material off-balance sheet arrangements (2010 £nil)

23 Related party transactions

Name of connected party	Description of transaction during the year	Movement during 2011 £'000	Restated Movement during 2010 £'000	From/(to) at 31 December 2011 £'000	Restated 2010 £ 000
Ipreo Holdings LLC	Transactions in the ordinary course of business	(733)	134	(773)	(40)
Centerpoint Data LLC	FX movement on intercompany balance	(49)	(44)	(1,591)	(1 542)
i-Deal LLC	Interest and capital repayment of Wells Fargo loan	-	(4 391)	(5,229)	8 521
	Creation of new loan with BMO via ideal LLC	-	14 546		
	Financing and repayment cost of loan with BMO	(1 823)	(807)		
	Repayment of BMO loan	(11 910)	-		
	Services provided by parent company on behalf of subsidiary companies	(2,343)	-		
	Cash transfers to parent company	7 707	-		
	Transactions in the ordinary course of business	(5,381)	(55)		-
Ipreo Limited	Transactions in the ordinary course of business	1,849	1 868	5,721	3 872
Marketpipe Limited	Transactions in the ordinary course of business	(2,491)	(1 853)	(2,047)	444
Ipreo Capitalbridge Limited	Transactions in the ordinary course of business	1,476	1 341	5,325	3 849
Ipreo Vision LLC	Transactions in the ordinary course of business	2 017	1 541	4,769	2 752
	FX movement on intercompany balance		8		-

24 ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING OF LARGER GROUP OF WHICH THE COMPANY IS A MEMBER

The largest group in which the results of the Company and Group are consolidated is that headed by Ipreo Holdings LLC incorporated in the US The smallest group in which they are consolidated is that headed by Hemscott Limited incorporated in the UK No other group financial statements include the results of the Company or Group The consolidated financial statements of the Hemscott Limited group are available to the public and may be obtained from 1st Floor Castle House 37-45 Paul Street EC2A 4LS Those of Ipreo Holdings LLC are not publicly available