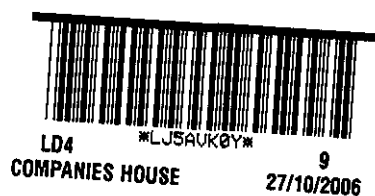


COMPANY NO: 1040587

EUROMONITOR INTERNATIONAL PLC (*formerly
'Euromonitor plc'*)

ANNUAL REPORT

Year ended 31 March 2006



Contents

Section	Page
COMPANY INFORMATION.....	1
REPORT OF THE DIRECTORS.....	2
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EUROMONITOR INTERNATIONAL PLC	6
CONSOLIDATED PROFIT AND LOSS ACCOUNT.....	7
CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES.....	8
CONSOLIDATED BALANCE SHEET	9
COMPANY BALANCE SHEET.....	10
CONSOLIDATED CASH FLOW STATEMENT.....	11
NOTES TO THE FINANCIAL STATEMENTS.....	12

Company Information

Directors	R N Senior T J Fenwick S F Hunter I Sismey (resigned 1 st May 2005) D R Gudgin T R E Kitchen A J Carter G Westbrook C Harrington D Cleveland (appointed 21 st June 2005) A Irwin (appointed 21 st June 2005)
Secretary	T J Fenwick
Registered office	60/61 Britton Street London EC1M 5UX
Registered number	1040587
Auditors	RSM Robson Rhodes LLP Chartered Accountants 30 Finsbury Square London, EC2P 2YU
Bankers	Bank of Scotland PLC 14/16 Cockspur Street London SW1Y 5BL

Report of the Directors

The directors present their report and the audited financial statements for the year ended 31 March 2006.

Principal Activity

The principal activity of the group in the period under review was that of the publishing and provision of information services.

Review of Business

The results for the period and financial position of the group and company are shown in the annexed financial statements.

As shown in the group's profit and loss account on page 7, the group has achieved a 29% increase on turnover and operating profit increased by 35%.

The directors welcome these results and anticipate further increases in revenue and continuing profitability in 2006.

The consolidated balance sheet on page 9 of the financial statements shows that the group's financial position is consistent with the growth experienced in the business over the last 12 months.

During the year a new subsidiary was established in Lithuania, a member of the European Union.

Key Performance Indicators

Key performance indicator	2006	2005
Return on capital employed (ROCE) ¹	87%	59%
Gross margin ²	62%	61%
Debtor days ³	86	100
Non annualised sales growth ⁴	19%	23%

Notes to KPIs

¹Return on Capital Employed = Operating profit as a percentage of shareholders funds plus interest bearing long-term liabilities

Euromonitor International PLC aims to increase shareholder value and measures performance against this objective by measuring ROCE. Source data is taken from the audited financial statements.

The group has managed to exceed its target ROCE for 2006, due to the repayments of the bank and other loans and continued increase in sales.

²Gross Margin = Gross profit as a percentage of turnover

Euromonitor International PLC aims to maximise profit available for distribution to shareholders as measured by gross margin. Source data is taken from the audited financial statements.

³Debtor Days = the average number of days it takes a company to receive payment from its debtors.

Euromonitor International PLC aims to decrease its debtor days. Source data is taken from the audited financial statements.

This decrease illustrates an increase in efficiency and a reduction in potential bad debts.

⁴Non annualised sales growth = the increase in non annualised revenue as a percentage of revenue from the prior year.

Euromonitor International PLC aims to increase shareholder value through growth in revenue, linked to profitability (see gross margin above). Source data is taken from the audited financial statements.

Euromonitor International PLC has exceeded its target level of growth; this is through both existing and new customers.

Principal Risks and uncertainties facing the company

Financial Instruments

The group's operations expose it to changes in the rate of exchange, particularly with regards to the US dollar and currencies linked to the dollar. However, the group does not have material exposures in the above area and therefore does not use derivative instruments to manage these exposures.

The group's principal financial instruments comprise sterling cash and bank deposits, US dollar cash and bank deposits, Singapore dollar cash and bank deposit, other loans and obligations under finance leases together with trade debtors and trade creditors that arise directly from its operations.

The main risks arising from the group's financial instruments can be analysed as follows:

- **Price Risk**
The group has no significant exposure to securities price risk, as it holds no listed equity investments.
- **Foreign Currency Risk**
The group is exposed in its trading operations in the USA, Asia and Europe with regards to the risk of foreign exchange rates. However, the group buys and sells services in all of these areas and therefore the exchange risk is not significant.

The main foreign currencies in which the group operates are US dollar and Euro.

- **Credit Risk**
The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by ensuring that no one client's credit is disproportionate to the overall size of the trade debtors balance. The amounts presented in the balance sheet are net of allowances for doubtful debts, which are estimated by the group based on prior experience.

- **Liquidity Risk**
The group's bank balance is high and therefore has no significant exposure in this area.

Employees

Employees' performance is aligned to company goals through an annual appraisal process. Employee turnover remains within the expectations of the group and its directors.

Dividends

The directors approved a payment of an ordinary dividend of £997,000 (2005: £755,000) during the year.

Payment to Creditors

The group does not have any specific policy in relation to payment of creditors, however it is the group's policy to settle agreed outstanding accounts in accordance with the terms and conditions of supply.

The number of days outstanding between receipt of invoices and date of payment, calculated by reference to the amount owed to trade creditors at the year-end as a proportion of the amounts invoiced by suppliers during the year, was 23 (2005: 26) days in aggregate for the group.

Report of the Directors (Continued)

Directors

The present directors of the company are set out on page 1.

Those directors serving at the end of the year had interests in the share capital of the company at 31 March as follows:

	Ordinary "A" shares of £1 each	
	2005	2004
	No.	No.
R N Senior	30,005	30,005
T J Fenwick	-	-
S F Hunter	-	-
I Sismey	-	-
D R Gudgin	-	-
T R E Kitchen	-	-
A J Carter	-	-
G Westbrook	-	-
C Harrington	-	-
	Ordinary "B" shares of £1 each	
	2005	2004
	No.	No.
R N Senior	-	-
T J Fenwick	20,004	20,004
S F Hunter	-	-
I Sismey	-	-
D R Gudgin	-	-
T R E Kitchen	-	-
A J Carter	-	-
G Westbrook	-	-
C Harrington	-	-

Report of the Directors (Continued)

Statement of directors' responsibilities for the financial statements

Company law in the United Kingdom requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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 1985. 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.

Disclosure of information to auditors

At the date of making this report each of the company's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

RSM Robson Rhodes LLP are the current auditors of the company. A resolution to reappoint RSM Robson Rhodes LLP will be proposed at the forthcoming annual general meeting.

Approval

The report of the directors was approved by the Board on ~~18 October~~ 2006 and signed on its behalf by:


T J Fenwick
Secretary

Independent Auditors' Report to the Shareholders of Euromonitor International Plc

We have audited the financial statements on pages 7 to 26. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

As described in the statement of Directors Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 March 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

RSM Robson Rhodes LLP

RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditors

London, England
18 October 2006

Consolidated Profit and Loss Account
for the year ended 31 March 2006

	Note	2006 £	2005 £
Turnover – continuing operations		22,517,378	17,521,884
Cost of sales		<u>(8,626,853)</u>	<u>(6,807,631)</u>
Gross profit		13,890,525	10,714,253
Distribution costs		<u>(3,779,891)</u>	<u>(2,535,065)</u>
Administrative expenses		<u>(6,902,317)</u>	<u>(5,807,556)</u>
Operating profit – continuing operations	3	3,208,317	2,371,632
Interest receivable	4	123,704	28,519
Interest payable	5	<u>(262,731)</u>	<u>(303,135)</u>
Profit on ordinary activities before taxation		3,069,290	2,097,016
Tax on profit on ordinary activities	9	<u>(1,033,284)</u>	<u>(703,868)</u>
Profit on ordinary activities after taxation	21	<u>2,036,006</u>	<u>1,393,148</u>

Consolidated Statement of Total Recognised Gains and Losses
for the year ended 31 March 2006

	Note	2006	2005
		£	£
Profit for the financial year		2,036,006	1,393,148
Net currency translation profit		85,789	5,324
		<hr/>	<hr/>
Total recognised gains and losses for the year	23	2,121,795	1,398,472
		<hr/>	<hr/>

Consolidated Balance Sheet

at 31 March 2006

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	12	<u>5,105,508</u>	<u>4,778,572</u>
Current assets			
Stocks	14	399,204	229,119
Debtors	15	5,726,955	5,654,657
Cash at bank and in hand		<u>7,050,484</u>	<u>4,463,359</u>
		13,176,643	10,347,135
Creditors: Amounts falling due within one year	16	<u>(12,566,357)</u>	<u>(10,227,971)</u>
Net current assets / (liabilities)		610,286	(119,164)
Total assets less current liabilities		5,715,794	4,897,736
Creditors: Amounts falling due after more than one year	17	<u>(3,660,682)</u>	<u>(3,967,419)</u>
Net assets		<u>2,055,112</u>	<u>930,317</u>
Capital and reserves			
Called up share capital	20	50,009	50,009
Capital redemption reserve	22	20,591	20,591
Profit and loss account	21	<u>1,984,512</u>	<u>859,717</u>
Shareholders' funds	23	<u>2,055,112</u>	<u>930,317</u>

The financial statements were approved by the Board on 18 October 2006 and signed on its behalf by:

C Harrington

C Harrington

T J Fenwick

T J Fenwick

Directors

Company Balance Sheet
at 31 March 2006

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	12	4,874,758	4,663,373
Investments	13	<u>99,052</u>	<u>97,038</u>
		4,973,810	4,760,411
Current assets			
Stocks	14	399,204	229,119
Debtors	15	8,216,164	5,716,685
Cash at bank and in hand		<u>4,182,174</u>	<u>3,555,099</u>
		12,797,542	9,500,903
Creditors: Amounts falling due within one year	16	<u>(12,685,831)</u>	<u>(10,278,682)</u>
Net current assets		111,711	(777,779)
Total assets less current liabilities		5,085,521	3,982,632
Creditors: Amounts falling due after more than one year	17	<u>(3,603,042)</u>	<u>(3,909,999)</u>
Net assets		<u>1,482,479</u>	<u>72,633</u>
Capital and reserves			
Called up share capital	20	50,009	50,009
Capital redemption reserve	22	20,591	20,591
Profit and loss account	21	<u>1,411,879</u>	<u>2,033</u>
Shareholders' funds/(deficit)	23	<u>1,482,479</u>	<u>72,633</u>

The financial statements were approved by the Board on 18 October 2006 and signed on its behalf by:

C Harrington

C Harrington

T J Fenwick

T J Fenwick

Director

Consolidated Cash Flow Statement for the year ended 31 March 2006

	Note	2006 £	2005 £
Net cash inflow from operating activities	24	<u>4,284,477</u>	<u>4,089,347</u>
Returns on investments and servicing of finance			
Interest received		123,704	28,519
Interest paid		(254,200)	(287,905)
Interest element of finance lease payments		<u>(8,531)</u>	<u>(15,230)</u>
		<u>(139,027)</u>	<u>(274,616)</u>
Taxation paid			
UK corporation tax		<u>308,437</u>	<u>(722,419)</u>
Capital expenditure and financial investment			
Payments for tangible fixed assets		<u>(595,375)</u>	<u>(124,001)</u>
Equity dividends paid		<u>(858,667)</u>	<u>(573,333)</u>
Cash flow before financing		<u>2,999,845</u>	<u>2,394,978</u>
Financing			
New bank loans		93,047	49,108
Repayment of loans		(440,938)	(395,834)
Capital element of finance lease payments	26	<u>(64,829)</u>	<u>(77,125)</u>
		<u>(412,720)</u>	<u>(423,851)</u>
Increase in cash	25, 26	<u>2,587,125</u>	<u>1,971,127</u>

Notes to the Financial Statements

31 March 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and are in accordance with applicable accounting standards. The financial statements have been prepared on the going concern basis. The validity of this assumption is based upon the director's expectation of continuing positive cash flows being generated from sales of the company's products.

Basis of consolidation

The consolidated profit and loss account and balance sheet comprise the financial statements of the holding company and its subsidiaries drawn up to 31 March in each year.

The consolidated financial statements have been prepared under the principles of acquisition accounting.

Research and development

The company maintains a substantial database of marketing and research information. In accordance with SSAP 13, the expenditure on the development and enlargement of this database is written off in the year it is incurred.

Turnover

Turnover consists of the invoiced value (excluding VAT) for goods and services supplied. For sales contracts that are delivered over a period which spans the year end, income is deferred and released in the period in which the service is provided.

Investments

Investments in subsidiaries are stated at cost less provision for impairment.

Tangible fixed assets and depreciation

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Freehold land is not depreciated. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to the operating profit.

The principal annual rates used for other assets are:

Freehold buildings	Straight line over 50 years
Leasehold properties	Straight line over the life of the lease
Fixtures, fittings and equipment	15% Reducing balance
Computer equipment and software	Straight line over 3 years
Motor vehicles	25% Reducing balance

Leased assets

Assets held under finance leases are included in the balance sheet and depreciated in accordance with the group's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the terms of the leases.

Stocks

Stocks and work in progress are valued at the lower of cost and estimated net realisable value. Cost is determined on a first-in first-out basis. The cost of work in progress and finished goods comprises materials, direct labour and attributable production overheads. Net realisable value is based on the estimated sales price after allowing for all further costs of completion and disposal.

Provision is made for slow moving or defective items.

Notes to the Financial Statements (Continued)

31 March 2006

1. ACCOUNTING POLICIES (Continued)

Deferred taxation

Deferred tax is provided, except as noted below, on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes.

In accordance with FRS 19 deferred tax is not provided on timing differences arising from extra tax payable on the unremitted earnings of the overseas subsidiaries and associates where there is no commitment to remit these earnings.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses.

Pensions

The group operates two defined contribution pension schemes both of which require contributions to be made to separately administered funds. Pension contributions are charged to the profit and loss account in respect of contributions payable by the company in the year. These contributions are invested separately from the group's assets.

Foreign Currencies

Group

The financial statements of the overseas subsidiary are translated at the exchange rate ruling at the balance sheet date. The exchange difference arising on the retranslation of opening net assets is taken directly to reserves. All other translation differences are taken to the profit and loss account.

Company

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the balance sheet date. All differences are taken to the profit and loss account.

2. SEGEMENTAL ANALYSIS

In the opinion of the directors the disclosure of segmental information would be seriously prejudicial to the interest of the group. As permitted by Paragraph 55(5) of Schedule 4 this information has not been disclosed.

Notes to the Financial Statements (Continued)
31 March 2006

3. OPERATING PROFIT

Operating profit is arrived at after charging/crediting:

	2006	2005
	£	£
Operating lease rentals:		
- plant and machinery	98,129	111,906
- land and buildings	197,231	191,493
Auditors' remuneration	32,500	27,175
Non-audit services	70,095	41,810
(Gain)/loss on foreign exchange transactions	(482,487)	271,723
Depreciation of tangible fixed assets	295,993	230,571
Research and development	7,069,967	6,326,995
(Profit) on disposal of tangible fixed assets	-	(188)
	<hr/>	<hr/>

4. INTEREST RECEIVABLE

	2006	2005
	£	£
Bank interest	123,704	28,519
	<hr/>	<hr/>
	123,704	28,519
	<hr/>	<hr/>

5. INTEREST PAYABLE

	2006	2005
	£	£
Interest on hire purchase assets	8,531	15,230
Interest on bank loans and overdrafts	194,916	207,793
Interest on other loans	59,284	80,112
	<hr/>	<hr/>
	262,731	303,135
	<hr/>	<hr/>

Notes to the Financial Statements (Continued)

31 March 2006

6. EMPLOYEES

Average monthly number of employees, including executive directors:

	2006 No	2005 No
Office and administration employees	314	242

Staff costs, including directors:

	2006 £	2005 £
Wages and salaries	9,810,473	7,541,336
Social security costs	1,081,587	792,004
Other pension costs	1,217,866	522,727
	<u>12,109,926</u>	<u>8,856,067</u>

7. DIRECTORS' REMUNERATION

	2006 £	2005 £
Aggregate emoluments of directors were:		
Salaries and taxable benefits	1,255,743	979,796
Pension scheme contributions	<u>1,140,236</u>	<u>445,780</u>
	<u>2,395,979</u>	<u>1,425,576</u>
Emoluments (excluding pension contributions) of highest paid director	<u>241,667</u>	<u>215,746</u>
Pension scheme contributions of the highest paid director	<u>555,288</u>	<u>207,500</u>
	2006 No	2005 No
Number of directors who:		
- were members of a money purchase scheme	<u>11</u>	<u>9</u>

8. PENSION COSTS

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. Contributions payable by the company amounted to £1,217,213 (2005: £522,727).

Notes to the Financial Statements (Continued)

31 March 2006

9. TAXATION

The taxation charge for the year is analysed below:

	2006 £	2005 £
Current tax		
<i>United Kingdom corporation tax</i>		
UK current tax on income for the year	1,106,780	579,895
Adjustments in respect of prior years	(15,215)	(2,437)
	<u>1,091,565</u>	<u>577,458</u>
<i>Foreign tax</i>		
Current tax on income for the year	(85,455)	113,576
Adjustments in respect of prior years	-	(9,324)
	<u>(85,455)</u>	<u>104,252</u>
Total current tax charge	<u>1,006,110</u>	<u>681,710</u>
Deferred taxation		
Net origination (reversal) of timing differences	(4,651)	22,158
Adjustment in respect of prior years	31,825	-
Total deferred taxation	<u>27,174</u>	<u>22,158</u>
Tax charge on profit on ordinary activities	<u>1,033,284</u>	<u>703,868</u>

Current tax reconciliation

The current tax charge is lower than the standard rate of corporation tax in the UK. A reconciliation is shown below:

	2006 £	2005 £
Profit on ordinary activities before taxation	3,069,290	2,097,016
Theoretical tax at UK corporation tax rate 30% (2005:30%)	<u>920,787</u>	<u>629,104</u>
Effects of:		
- expenditure that is not tax deductible	51,628	15,928
- decelerated/(accelerated) capital allowances	(3,690)	45,794
- Unrelieved tax losses	70,107	14,486
- utilisation of tax losses	-	(21,068)
- Higher tax rate on overseas earnings	(15,810)	14,946
- Exempt income	(1,697)	(5,719)
- adjustments in respect of previous periods	<u>(15,215)</u>	<u>(11,761)</u>
Actual current taxation charge	<u>1,006,110</u>	<u>681,710</u>

Notes to the Financial Statements (Continued)

31 March 2006

9. TAXATION (continued)

Deferred taxation

The deferred tax asset/(liability) comprises:

	2006 £	2005 £
Capital allowances in excess of depreciation	(25,188)	6,804
Other	4,949	130
	<u>(20,239)</u>	<u>6,934</u>

	Deferred taxation £
At 31 March 2005	6,804
Amount (credited) to profit and loss account	(27,173)
At 31 March 2006	<u>(20,239)</u>

10. DIVIDENDS

	2006 £	2005 £
Approved final equity dividend	466,667	328,334
Interim equity dividend paid	<u>530,333</u>	<u>426,666</u>
	<u>997,000</u>	<u>755,000</u>

11. PROFIT FOR THE FINANCIAL YEAR

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account had not been included in these financial statements. The profit after tax for the financial year is as follows:

	2006 £	2005 £
Holding company's profit for the financial year	<u>2,406,846</u>	<u>1,142,781</u>

Notes to the Financial Statements (Continued)

31 March 2006

12. TANGIBLE ASSETS

GROUP	Freehold property £	Short leasehold properties £	Office equipment, fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2005	4,425,000	358,387	961,729	46,921	5,792,037
Additions	-	73,213	522,162	17,425	612,800
Disposals	-	-	(5,290)	-	(5,290)
Currency translation	-	-	22,290	-	22,290
At 31 March 2006	4,425,000	431,600	1,500,891	64,346	6,421,837
Depreciation					
At 1 April 2005	100,000	259,688	630,791	22,986	1,013,465
Charged in year	50,000	42,594	195,600	7,799	295,993
Disposals	-	-	(5,290)	-	(5,290)
Currency translation	-	-	12,161	-	12,161
At 31 March 2006	150,000	302,282	833,262	30,785	1,316,329
Net book value					
At 31 March 2006	4,275,000	129,318	667,629	33,561	5,105,508
At 31 March 2005	4,325,000	98,699	330,938	23,935	4,778,572

The net book value of tangible fixed assets includes £73,018 (2005: £97,080) in respect of assets held under finance leases. Depreciation charged in the year on those assets amounted to £48,396 (2005: £55,754).

Notes to the Financial Statements (Continued)

31 March 2006

12. TANGIBLE ASSETS (Continued)

COMPANY	Freehold property	Short leasehold properties	Office equipments, fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2005	4,425,000	358,387	708,916	46,921	5,539,224
Additions	-	73,213	369,404	17,425	460,042
Disposals	-	-	(5,290)	-	(5,290)
At 31 March 2006	4,425,000	431,600	1,073,030	64,346	5,993,976
Depreciation					
At 1 April 2005	100,000	259,688	493,177	22,986	875,851
Charged in year	50,000	42,594	148,264	7,799	248,657
Disposals	-	-	(5,290)	-	(5,290)
At 31 March 2006	150,000	302,282	636,151	30,785	1,119,218
Net book value					
At 31 March 2006	4,275,000	129,318	436,879	33,561	4,874,758
At 31 March 2005	4,325,000	98,699	215,739	23,935	4,663,373

The net book value of tangible fixed assets includes £73,018 (2004: £91,807) in respect of assets held under finance leases. Depreciation charged in the year on those assets amounted to £48,396 (2004: £48,237).

Notes to the Financial Statements (Continued)

31 March 2006

13. INVESTMENTS

	Shares in group undertakings £
Cost	
At 31 March 2005	97,038
Acquisitions	2,014
At 31 March 2006	<u>99,052</u>

Group undertakings

The shares in group undertakings, which are held by the company, comprise investments in the following subsidiary undertakings:

	Overseas country of incorporation	Activity	Group interest in ordinary shares
Euromonitor International Inc.	USA	Publishers and market researchers	100%
Euromonitor Publications Limited	England	Dormant	100%
Euromonitor International (Asia) PTE Limited	Singapore	Publishers and market researchers	100%
Euromonitor International China Limited	China	Publishers and market researchers	100%
Euromonitor International Eastern Europe	Lithuania	Publishers and market researchers	100%

Euromonitor International China Limited has a 31 December year-end as this is a statutory requirement in China.

14. STOCKS

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Work in progress	162,423	162,423	94,237	94,237
Finished goods and goods for resale	<u>236,781</u>	<u>236,781</u>	<u>134,882</u>	<u>134,882</u>
	<u>399,204</u>	<u>399,204</u>	<u>229,119</u>	<u>229,119</u>

The replacement cost of the above stocks would not be significantly different from the values stated.

Notes to the Financial Statements (Continued)

31 March 2006

15. DEBTORS

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Trade debtors	5,305,239	5,305,239	4,786,942	4,786,942
Amounts owed by subsidiary undertakings	-	2,599,572	-	68,202
Corporation tax	-	-	720,545	755,782
Other debtors	39,960	22,108	31,224	30,079
Prepayments and accrued income	381,756	289,245	109,012	67,207
Deferred tax asset	-	-	6,934	8,473
	<u>5,726,955</u>	<u>8,216,164</u>	<u>5,654,657</u>	<u>5,716,685</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Debentures	-	-	78,000	78,000
Bank loan and overdrafts	173,741	173,741	187,626	187,626
Other loans	189,684	189,684	133,497	133,497
Trade creditors	677,731	511,016	596,903	469,799
Amounts owed to subsidiary undertakings	-	169,559	-	272,118
Proposed dividends	466,667	466,667	328,334	328,334
Corporation tax	600,937	764,523	-	-
Other taxes and social security costs	371,886	330,681	346,414	329,804
Directors current accounts	134,950	134,950	103,824	103,824
Net obligations under finance leases and hire purchase contracts	27,669	27,669	54,999	49,725
Accruals and deferred income	9,870,282	9,864,531	8,345,564	8,273,145
Other creditors	52,810	52,810	52,810	52,810
	<u>12,566,357</u>	<u>12,685,831</u>	<u>10,227,971</u>	<u>10,278,682</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Bank loans	3,041,397	3,041,397	3,299,249	3,299,249
Other loans	514,328	514,328	568,668	568,668
Net obligations under finance leases and hire purchase contracts	22,008	22,008	42,082	42,082
Accruals and deferred income	62,710	-	57,420	-
Deferred tax	<u>20,239</u>	<u>25,309</u>	<u>-</u>	<u>-</u>
	<u>3,660,682</u>	<u>3,603,042</u>	<u>3,967,419</u>	<u>3,909,999</u>

The company has a mortgage on its registered property. The mortgage has a variable annual interest rate of LIBOR plus 1.875% and is repayable in 180 equal quarterly instalments.

Notes to the Financial Statements (Continued)**31 March 2006****18. DEBT AND FINANCE LEASE OBLIGATIONS**

The group's borrowings, including bank loans, overdrafts and obligations under finance leases, are analysed by maturity below:

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Due within one year or on demand				
Debentures	-	-	78,000	78,000
Bank and other loans	391,094	391,094	376,122	370,848
Due in more than one year but not more than two years				
Bank and other loans	385,433	385,433	363,851	363,851
Due in more than two years but not more than five years				
Bank and other loans	915,710	915,710	1,134,935	1,134,935
Due in more than five years				
Bank and other loans	2,276,590	2,276,590	2,411,213	2,411,213
	<u>3,968,827</u>	<u>3,968,827</u>	<u>4,364,121</u>	<u>4,358,847</u>

19. NET OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

The company's net obligations under finance leases and hire purchase contracts are repayable as follows:

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
In one year or on demand	31,068	31,068	65,402	58,062
Between one and five years	22,647	22,647	45,097	45,097
	<u>53,715</u>	<u>53,715</u>	<u>110,499</u>	<u>103,159</u>
Finance charges and interest allocated to future accounting periods	(4,038)	(4,038)	(13,418)	(11,352)
	<u>49,677</u>	<u>49,677</u>	<u>97,081</u>	<u>91,807</u>
Included in current liabilities	(27,669)	(27,669)	(54,999)	(49,725)
	<u>22,008</u>	<u>22,008</u>	<u>42,082</u>	<u>42,082</u>

Notes to the Financial Statements (Continued)
31 March 2006

20. SHARE CAPITAL

	2006 £	2005 £
Authorised		
48,551 Ordinary shares of £1 each	48,551	48,551
30,005 "A" Ordinary shares of £1 each	30,005	30,005
20,004 "B" Ordinary shares of £1 each	20,004	20,004
1,440 "C" Ordinary shares of £1 each	1,440	1,440
	<hr/> 100,000	<hr/> 100,000
Allotted and fully paid		
30,005 "A" Ordinary shares of £1 each	30,005	30,005
20,004 "B" Ordinary shares of £1 each	20,004	20,004
	<hr/> 50,009	<hr/> 50,009

Share options

Share options have been granted under the company's share ownership scheme for staff. Options over 1,280 shares (2005: 1440 shares) at £312.50 each were outstanding at 31 March 2006. These options have no defined exercisable period.

21. PROFIT AND LOSS RESERVE

	Group £	Company £
At 1 April 2005	859,717	2,033
Retained profit for the year	2,036,006	2,406,846
Dividends	(997,000)	(997,000)
Currency translation	85,789	-
At 31 March 2006	<hr/> 1,984,512	<hr/> 1,411,879

22. OTHER RESERVES

	Capital Redemption Reserve £
Group and Company	
At 1 April 2005 and 31 March 2006	<hr/> 20,591

Notes to the Financial Statements (Continued)

31 March 2006

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

GROUP	2006 £	2005 £
Total recognised gains and losses	2,121,795	1,398,472
Dividends	(997,000)	(755,000)
Opening shareholders' funds	930,317	286,845
Closing shareholders' funds	2,055,112	930,317
COMPANY	2006 £	2005 £
Total recognised gains and losses	2,406,846	1,142,781
Dividends	(997,000)	(755,000)
Net change in shareholders' funds	1,409,846	387,782
Opening shareholders' funds/(deficit)	72,633	(315,149)
Closing shareholders' funds	1,482,479	72,633

24. RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	2006 £	2005 £
Operating profit	3,208,317	2,371,632
Depreciation	295,993	230,571
Profit on disposal of fixed assets	-	(188)
(Increase)/decrease in stocks	(170,085)	120,018
(Increase) in debtors	(792,843)	(1,714,273)
Increase in creditors	1,667,436	3,157,175
(Decrease) in dilapidation provision	-	(83,000)
Currency translation	75,659	7,412
	4,284,477	4,089,347

25. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2006 £	2005 £
Increase in cash	2,587,125	1,971,127
Cash flow from decrease in debt and lease finance	414,088	423,851
Change in net funds resulting from cash flows	3,001,213	2,394,978
New Finance Leases	(17,425)	(76,488)
Movement in net funds in the year	2,983,788	2,318,490
Net funds at 1 April 2005	99,238	(2,219,252)
Net funds at 31 March 2006	3,083,026	99,238

Notes to the Financial Statements (Continued)
31 March 2006

26. ANALYSIS OF NET FUNDS

	At 1 April 2005 £	Cash flow £	Other movements £	At 31 March 2006
Cash at bank and in hand	4,463,359	2,587,125	-	7,050,484
Net cash	4,463,359	2,587,125	-	7,050,484
Debt due after one year	(3,867,917)	312,192	-	(3,555,725)
Debt due within one year	(399,123)	37,067	-	(362,056)
Finance leases	(97,081)	64,829	(17,425)	(49,677)
Borrowings	(4,364,121)	414,088	(17,425)	(3,967,458)
Net funds/(debt)	99,238	3,001,213	(17,425)	3,083,026

27. RELATED PARTY TRANSACTIONS

Transactions and balances with group and related undertakings

The company has taken advantage of the exemption, permitted by Financial Reporting Standard No.8, not to disclose transactions with the Euromonitor International Plc group of companies.

Included in books and market research information costs is an amount of £50,408 (2005: £39,500) in respect of services provided on an arms length basis by Information Exchange, a business in which a director G. Westbrook has a material interest.

Notes to the Financial Statements (Continued)

31 March 2006

28. FINANCIAL COMMITMENTS

Operating lease commitments

The payments which the company is committed to make in the next year under operating leases are as follows:

GROUP		2006 £	2005 £
(i)	Land and buildings, leases expiring:		
	within one year	-	6,765
	one to five years	71,738	65,151
	beyond five years	129,257	116,196
		<u>200,995</u>	<u>188,112</u>
		2006 £	2005 £
(ii)	Other, leases expiring:		
	within one year	23,032	19,904
	one to five years	118,941	86,958
	beyond five years	-	-
		<u>141,973</u>	<u>106,862</u>
COMPANY		2006 £	2005 £
(i)	Other, leases expiring:		
	within one year	23,032	19,904
	one to five years	109,872	72,879
		<u>132,904</u>	<u>92,783</u>