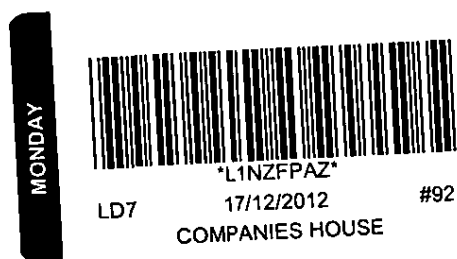


Financial Statements

Euromonitor International Limited

For the year ended 31 March 2012



Registered number: 1040587

Euromonitor International Limited

Company Information

Directors	R N Senior T J Fenwick S F Hunter D R Gudgin T R E Kitchen A J Carter G Westbrook C Harrington D Cleveland A Irwin
Company secretary	T J Fenwick
Company number	1040587
Registered office	60/61 Britton Street London EC1M 5NA
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
Bankers	Bank of Scotland 33 Old Broad Street London EC2N 1HZ

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Directors' Report

For the year ended 31 March 2012

The directors present their report and the financial statements of the group for the year ended 31 March 2012

Principal activities

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

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 17, the group has achieved a 15% increase on turnover and operating profit has increased by 5%

The Directors welcome the increase in revenues but recognise the positive impact of currency movements on reported operating profit. The Directors anticipate further increases in revenues in 2011

The consolidated balance sheet on page 14 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

Key Performance Indicators

	2012	2011
Return on Capital Employed Percentage	164%	163%
Gross Margin percentage	71%	72%
Debtor Days	78	99

Returned on Capital Employed (ROCE) = Operating profit as a percentage of shareholders funds plus interest bearing long-term liabilities

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

Gross Margin = Gross Profit as a percentage of turnover

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

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

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

Euromonitor International 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

Results

The profit for the year, after taxation, amounted to £10,283,207 (2011 - £9,856,796). Particulars of dividends paid are detailed in note 20 to the financial statements

Directors' Report

For the year ended 31 March 2012

Financial risk management objectives and policies

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. The group's principal financial instruments comprise sterling cash and bank deposits, US dollar cash and bank deposits, Singapore dollar cash and bank deposits, 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 these areas and therefore the exchange risk is not significant. The main foreign currencies in which the group operates are US dollar and Euro. The group has begun to engage in Forward Currency contracts to manage exchange risk between GBP and the US dollar. There are no open contracts at the year end.

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 present 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 therefore the group 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.

Payment of Creditors

It is the group's policy to settle agreed outstanding accounts in accordance with the terms and condition 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 21 days (2011: 17 days) in aggregate for the group.

Directors' Report

For the year ended 31 March 2012

Directors

The directors who served during the year were

R N Senior
T J Fenwick
S F Hunter
D R Gudgin
T R E Kitchen
A J Carter
G Westbrook
C Harrington
D Cleveland
A Irwin

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 then apply them consistently,
- make judgments and 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group'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.

Euromonitor International Limited

Directors' Report

For the year ended 31 March 2012

Donations

During the year, the company made charitable donations of £18,783 (2011 £23,975)

Auditor

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

This report was approved by the board on 14 December 2012 and signed on its behalf

A handwritten signature in black ink, appearing to be 'T J Fenwick', written over a horizontal line.

T J Fenwick
Director



Independent Auditor's Report to the Members of Euromonitor International Limited

We have audited the financial statements of Euromonitor International Limited for the year ended 31 March 2012, which comprise the group Profit and loss account, the group and company Balance sheets, the group Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation 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 Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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 Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Euromonitor International Limited

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

A handwritten signature in black ink, appearing to read "Mark Henshaw".

Mark Henshaw
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London (Euston)

14 December 2012

Consolidated Profit and Loss Account

For the year ended 31 March 2012

	Note	2012 £	2011 £
Turnover	1,2	64,833,109	56,317,525
Cost of sales		<u>(18,372,307)</u>	<u>(15,828,493)</u>
Gross profit		46,460,802	40,489,032
Administrative expenses		<u>(32,130,387)</u>	<u>(26,737,549)</u>
Operating profit	3	14,330,415	13,751,483
Interest receivable and similar income		48,573	30,263
Interest payable and similar charges	6	<u>(23,253)</u>	<u>(26,946)</u>
Profit on ordinary activities before taxation		14,355,735	13,754,800
Tax on profit on ordinary activities	7	<u>(4,072,528)</u>	<u>(3,898,004)</u>
Profit for the financial year	16	<u>10,283,207</u>	<u>9,856,796</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

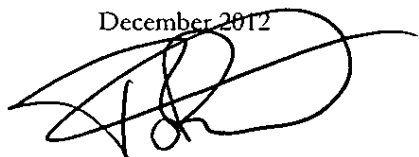
The notes on pages 11 to 25 form part of these financial statements

Consolidated Balance Sheet

As at 31 March 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	8		4,894,624		4,578,753
Current assets					
Stocks	10	987,181		479,538	
Debtors	11	18,674,532		15,961,855	
Cash at bank		24,164,467		16,875,332	
		<u>43,826,180</u>		<u>33,316,725</u>	
Creditors amounts falling due within one year	12	(37,467,356)		(32,266,082)	
Net current assets			6,358,824		1,050,643
Total assets less current liabilities			<u>11,253,448</u>		<u>5,629,396</u>
Creditors amounts falling due after more than one year	13		(2,422,126)		(1,936,906)
Net assets			<u>8,831,322</u>		<u>3,692,490</u>
Capital and reserves					
Called up share capital	15		36,007		36,007
Capital redemption reserve	16		20,591		20,591
Profit and loss account	16		8,774,724		3,635,892
Shareholders' funds	17		<u>8,831,322</u>		<u>3,692,490</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 December 2012



T J Fenwick
Director

The notes on pages 11 to 25 form part of these financial statements

Company Balance Sheet

As at 31 March 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	8		4,459,100		4,285,205
Investments	9		1,690,120		1,690,120
			<u>6,149,220</u>		<u>5,975,325</u>
Current assets					
Stocks	10	987,181		479,538	
Debtors	11	19,616,688		16,180,547	
Cash at bank		17,969,518		11,998,540	
		<u>38,573,387</u>		<u>28,658,625</u>	
Creditors amounts falling due within one year	12	(38,119,489)		(31,969,709)	
Net current assets/(liabilities)			453,898		(3,311,084)
Total assets less current liabilities			<u>6,603,118</u>		<u>2,664,241</u>
Creditors: amounts falling due after more than one year	13		(944,361)		(1,469,048)
Net assets			<u>5,658,757</u>		<u>1,195,193</u>
Capital and Reserves					
Called up share capital	15		36,007		36,007
Capital redemption reserve	16		20,591		20,591
Profit and loss account	16		5,602,159		1,138,595
Shareholders' funds	17		<u>5,658,757</u>		<u>1,195,193</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 December 2012



T J Fenwick
Director

The notes on pages 11 to 25 form part of these financial statements

Consolidated Cash Flow Statement

For the year ended 31 March 2012

	Note	2012 £	2011 £
Net cash flow from operating activities	19	16,100,234	15,943,823
Returns on investments and servicing of finance	20	12,470	3,317
Taxation		(3,905,186)	(2,558,046)
Capital expenditure and financial investment	20	(569,299)	(130,557)
Equity dividends paid		(5,153,265)	(7,306,781)
Cash inflow before financing		6,484,954	5,951,756
Financing	20	804,181	(165,934)
Increase in cash in the year		7,289,135	5,785,822

Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the year ended 31 March 2012

	2012 £	2011 £
Increase in cash in the year	7,289,135	5,785,822
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(804,181)	163,934
Movement in net debt in the year	6,484,954	5,949,756
Net funds at 1 April 2011	15,874,525	9,924,769
Net funds at 31 March 2012	22,359,479	15,874,525

The notes on pages 11 to 25 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2012

1. Accounting Policies

1.1 Basis of accounting

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

1.2 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

1.3 Turnover

Turnover consists of the amount earned (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 services are provided

1.4 Fixed assets

All fixed assets are initially recorded at cost. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit

1.5 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold property	-	Straight line over 50 years
Leasehold Property	-	Straight line over the life of the lease
Motor vehicles	-	25% Reducing Balance
Fixtures & fittings	-	15% Reducing Balance
Computer equipment	-	Straight line over 3 years

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.7 Stocks

Stocks 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 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 obsolete items

1.8 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

Notes to the Financial Statements

For the year ended 31 March 2012

1. Accounting Policies (continued)

1.9 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1 10 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 payable on the unremitted earnings of the overseas subsidiaries and associates where there is not 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 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 recognised gains and losses

1 11 Pensions costs

The company 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 company's assets

1 12 Work in Progress

Work in progress is valued on the basis of direct cost plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

Notes to the Financial Statements

For the year ended 31 March 2012

1. Accounting Policies (continued)

1.13 Finance lease agreements

Assets held under finance leases are included in the balance sheet and depreciated in accordance with the company'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.

1.14 Foreign currencies

Group

The financial statements of the overseas subsidiaries 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.

1.15 Share based payments

Employees of the group receive remuneration in the form of share based payments such as share options. The cost of share based payments made to employees for awards granted after 7 November 2002, is measured by reference to the fair value at the date on which they are granted. The fair value is determined using an appropriate pricing model and is expensed on a straight line basis over the vesting period. Market related performance conditions are reflected in the fair value of the share. Non-market related performance conditions are allowed for using separate assumptions about the number of awards expected to vest.

Notes to the Financial Statements

For the year ended 31 March 2012

1. Accounting Policies (continued)

1.16 Financial instruments

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 profit and loss account. 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 classified as an equity instrument. Dividends and distributions relating to equity instruments are debited to equity.

Where the contractual obligations of the 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 profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

2. Turnover

The whole of the turnover is attributable to that of publishing and provision of information services.

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

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the group	253,429	306,212
Auditor's remuneration	43,200	43,200
Operating lease rentals		
- plant and machinery	9,106	9,529
- other operating leases	1,492,307	987,041
Research and development expenditure written off	18,303,170	15,828,493
Difference on foreign exchange	581,755	394,061
	<u>19,480,861</u>	<u>17,568,536</u>

Notes to the Financial Statements

For the year ended 31 March 2012

4. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£	£
Wages and salaries	26,863,767	21,576,725
Social security costs	2,866,752	2,326,383
Other pension costs	265,417	187,210
	<u>29,995,936</u>	<u>24,090,318</u>

The average monthly number of employees, including the directors, during the year was as follows

2012	2011
No	No
<u>449</u>	<u>424</u>

5. Directors' remuneration

	2012	2011
	£	£
Emoluments	<u>1,874,501</u>	<u>1,937,519</u>
Company pension contributions to defined contribution pension schemes	<u>64,285</u>	<u>61,330</u>

During the year retirement benefits were accruing to 10 directors (2011 - 10) in respect of defined contribution pension schemes

The highest paid director received remuneration of £to be updated (2011 - £358,000)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £to be updated (2011 - £1)

6. Interest payable

	2012	2011
	£	£
On bank loans and overdrafts	21	147
On finance leases and hire purchase contracts	-	535
Other interest payable	23,232	26,264
	<u>23,253</u>	<u>26,946</u>

Notes to the Financial Statements

For the year ended 31 March 2012

7. Taxation

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	3,092,640	3,859,594
Adjustments in respect of prior periods	9,832	-
	<u>3,102,472</u>	<u>3,859,594</u>
Double taxation relief	(79,506)	-
	<u>3,022,966</u>	<u>3,859,594</u>
Foreign tax on income for the year	1,052,904	-
Total current tax	<u>4,075,870</u>	<u>3,859,594</u>
Deferred tax		
Origination and reversal of timing differences	(13,979)	21,718
Prior year adjustment	9,832	(1,939)
Other	-	18,631
Difference in tax rates	805	-
Total deferred tax (see note 14)	<u>(3,342)</u>	<u>38,410</u>
Tax on profit on ordinary activities	<u>4,072,528</u>	<u>3,898,004</u>

Notes to the Financial Statements

For the year ended 31 March 2012

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 26% (2011 - 28%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	14,355,735	13,754,800
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	3,710,767	3,851,344
Effects of		
Non-tax deductible amortisation of goodwill and impairment	175,450	76,761
Capital allowances for year in excess of depreciation	(5,627)	(38,979)
Higher rate taxes on overseas earnings	485	-
Other timing differences leading to an increase (decrease) in taxation	162,251	121,249
Profits charged at a higher rate of tax	22,227	-
Double taxation relief	-	26,416
Unrelieved tax losses carried forward	-	(18,472)
Prior year foreign tax adjustment	-	4,643
Differences in tax rates	-	57,223
Deduction in relation to share schemes	-	(229,600)
Overprovision in respect of prior years	10,317	9,009
Current tax charge for the year (see note above)	4,075,870	3,859,594

Factors that may affect future tax charges

Enter details here

Notes to the Financial Statements

For the year ended 31 March 2012

8. Tangible fixed assets

Group	Freehold property £	L/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost						
At 1 April 2011	4,425,000	524,014	85,887	936,093	958,365	6,929,359
Additions	-	-	-	150,522	421,429	571,951
Disposals	-	-	-	-	(12,595)	(12,595)
At 31 March 2012	4,425,000	524,014	85,887	1,086,615	1,367,199	7,488,715
Depreciation						
At 1 April 2011	400,000	524,014	35,695	593,231	797,666	2,350,606
Charge for the year	33,330	-	12,548	33,569	173,982	253,429
On disposals	-	-	-	-	(9,944)	(9,944)
At 31 March 2012	433,330	524,014	48,243	626,800	961,704	2,594,091
Net book value						
At 31 March 2012	3,991,670	-	37,644	459,815	405,495	4,894,624
At 31 March 2011	4,025,000	-	50,192	342,862	160,699	4,578,753

Company	Freehold property £	L/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost						
At 1 April 2011	4,425,000	431,600	85,887	504,733	409,145	5,856,365
Additions	-	-	-	144,022	169,586	313,608
At 31 March 2012	4,425,000	431,600	85,887	648,755	578,731	6,169,973
Depreciation						
At 1 April 2011	400,000	431,600	35,694	360,171	343,695	1,571,160
Charge for the year	33,330	-	12,548	27,266	66,569	139,713
At 31 March 2012	433,330	431,600	48,242	387,437	410,264	1,710,873
Net book value						
At 31 March 2012	3,991,670	-	37,645	261,318	168,467	4,459,100
At 31 March 2011	4,025,000	-	50,193	144,562	65,450	4,285,205

Notes to the Financial Statements

For the year ended 31 March 2012

9. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the company

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2011 and 31 March 2012	1,690,120
Net book value	
At 31 March 2012	1,690,120
At 31 March 2011	1,690,120

Details of the principal subsidiaries can be found under note number 24

10. Stocks

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Work in progress	920,473	400,997	920,473	400,997
Finished goods and goods for resale	66,708	78,541	66,708	78,541
	987,181	479,538	987,181	479,538

11. Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	17,412,524	15,307,314	18,813,133	15,307,314
Amounts owed by group undertakings	-	-	-	383,691
Other debtors	387,682	203,600	280,682	146,814
Prepayments and accrued income	765,202	428,049	427,514	311,257
Withholding Tax	82,984	-	79,506	-
Deferred tax asset (see note 14)	26,140	22,892	15,853	31,471
	18,674,532	15,961,855	19,616,688	16,180,547

Notes to the Financial Statements

For the year ended 31 March 2012

12. Creditors:**Amounts falling due within one year**

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	137,700	137,700	137,700	137,700
Net obligations under finance leases and hire purchase contracts	-	2,480	-	2,480
Trade creditors	674,838	737,723	912,596	517,355
Amounts owed to group undertakings	-	-	1,933,162	868,328
Corporation tax	1,034,601	863,918	583,419	417,589
Social security and other taxes	875,424	973,369	757,850	889,943
Other creditors	445,375	778,601	697	364,023
Accruals and deferred income	34,299,418	28,772,291	33,794,065	28,772,291
	37,467,356	32,266,082	38,119,489	31,969,709

The mortgage loan is secured against the property it relates too

The debenture loan is also secured against the properties of the company

13. Creditors:**Amounts falling due after more than one year**

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	1,667,288	860,627	722,927	860,627
Other creditors	533,404	467,858	-	-
Accruals and deferred income	221,434	608,421	221,434	608,421
	2,422,126	1,936,906	944,361	1,469,048

14. Deferred tax asset

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
At beginning of year	22,892	75,061	31,471	69,881
Released during/(charge for) the year	3,248	(52,169)	(15,618)	(38,410)
At end of year	26,140	22,892	15,853	31,471

Notes to the Financial Statements

For the year ended 31 March 2012

14. Deferred tax asset (continued)

The deferred tax asset is made up as follows

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	£	£	£	£
Accelerated capital allowances	<u>26,140</u>	<u>22,892</u>	<u>15,853</u>	<u>31,471</u>

15. Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
50,009 (2011 - 50,010) Y Ordinary shares of £0.21 each	10,502	10,502
50,009 (2011 - 50,010) Z Ordinary shares of £0.51 each	25,505	25,505
	<u>36,007</u>	<u>36,007</u>

16. Reserves

Group	Capital redempt'n reserve	Profit and loss account
	£	£
At 1 April 2011	20,591	3,635,892
Profit for the year	-	10,283,207
Dividends Equity capital	-	(5,153,265)
FRS 20	-	8,890
At 31 March 2012	<u>20,591</u>	<u>8,774,724</u>
Company	Capital redempt'n reserve	Profit and loss account
	£	£
At 1 April 2011	20,591	1,138,595
Profit for the year	-	8,233,773
Dividends Equity capital	-	(5,153,265)
Other movements	-	1,383,056
At 31 March 2012	<u>20,591</u>	<u>5,602,159</u>

Notes to the Financial Statements

For the year ended 31 March 2012

17. Reconciliation of movement in shareholders' funds

	2012	2011
Group	£	£
Opening shareholders' funds	3,692,490	1,144,475
Profit for the year	10,283,207	9,856,796
Dividends (Note 18)	(5,153,265)	(7,306,781)
Shares redeemed/cancelled during the year	-	(2,000)
Other movements in profit and loss reserve	8,890	-
	<u>8,831,322</u>	<u>3,692,490</u>
Closing shareholders' funds	<u>8,831,322</u>	<u>3,692,490</u>

	2012	2011
Company	£	£
Opening shareholders' funds	1,195,193	480,524
Profit for the year	8,233,773	8,023,450
Dividends (Note 18)	(5,153,265)	(7,306,781)
Shares redeemed/cancelled during the year	-	(2,000)
Other movements in profit and loss reserve	1,383,056	-
	<u>5,658,757</u>	<u>1,195,193</u>
Closing shareholders' funds	<u>5,658,757</u>	<u>1,195,193</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

The profit for the year dealt with in the accounts of the company was £8,233,773 (2011 - £8,023,450)

18. Dividends

	2012	2011
	£	£
Dividends paid on equity capital	<u>5,153,265</u>	<u>7,306,781</u>

19. Net cash flow from operating activities

	2012	2011
	£	£
Operating profit	14,330,415	13,751,483
Depreciation of tangible fixed assets	255,547	306,212
(Increase)/decrease in stocks	(507,643)	86,553
Increase in debtors	(2,626,448)	(2,647,942)
Increase in creditors	4,648,363	4,987,730
Currency translation	-	(543,530)
Returns on investments and servicing of finance	-	3,317
	<u>16,100,234</u>	<u>15,943,823</u>
Net cash inflow from operating activities	<u>16,100,234</u>	<u>15,943,823</u>

Notes to the Financial Statements

For the year ended 31 March 2012

20. Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	48,573	30,263
Interest paid	(23,253)	(26,411)
Hire purchase interest	-	(535)
Income from investments in related companies	(12,850)	-
Net cash inflow from returns on investments and servicing of finance	12,470	3,317
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(571,951)	(130,557)
Sale of tangible fixed assets	2,652	-
Net cash outflow from capital expenditure	(569,299)	(130,557)
	2012 £	2011 £
Financing		
Purchase of ordinary shares	-	(2,000)
New secured loans	806,661	-
Repayment of loans	-	(151,324)
Repayment of finance leases	(2,480)	(12,610)
Net cash inflow/(outflow) from financing	804,181	(165,934)

Notes to the Financial Statements

For the year ended 31 March 2012

21. Analysis of changes in net debt

	1 April 2011	Cash flow	Other non-cash changes	31 March 2012
	£	£	£	£
Cash at bank and in hand	16,875,332	7,289,135	-	24,164,467
Bank overdraft	(137,700)	-	-	(137,700)
	<u>16,737,632</u>	<u>7,289,135</u>	<u>-</u>	<u>24,026,767</u>
Debt				
Debts due within one year	(2,480)	(804,181)	806,661	-
Debts falling due after more than one year	(860,627)	-	(806,661)	(1,667,288)
	<u>(863,107)</u>	<u>-</u>	<u>(806,661)</u>	<u>(1,667,288)</u>
Net funds	<u>15,874,525</u>	<u>6,484,954</u>	<u>-</u>	<u>22,359,479</u>

22. Operating lease commitments

At 31 March 2012 the Group had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2012	2011	2012	2011
	£	£	£	£
Group				
Expiry date				
Within 1 year	1,435,115	972,682	57,192	54,982
Between 2 and 5 years	5,540,493	3,299,658	116,549	55,666
After more than 5 years	2,702,951	1,573,581	-	-
	<u>9,678,559</u>	<u>5,845,921</u>	<u>173,741</u>	<u>110,648</u>

At 31 March 2012 the Company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2012	2011	2012	2011
	£	£	£	£
Company				
Expiry date				
Within 1 year	225,000	-	31,403	-
Between 2 and 5 years	900,000	-	29,491	-
After more than 5 years	1,125,000	-	-	-
	<u>1,350,000</u>	<u>-</u>	<u>60,894</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 March 2012

23. Related party transactions

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

24. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Euromonitor International Inc	USA	100%	Publishers and market researchers
Euromonitor Publications Limited	England	100%	Dormant
Euromonitor International (Asia) Singapore PTE Limited	Singapore	100%	Publishers and market researchers
Euromonitor International China Limited	China	100%	Publishers and market researchers
Euromonitor International Eastern Europe	Lithuania	100%	Publishers and market researchers
Research Monitor (Central and South Africa) (Pty) Limited	Chile	100%	Publishers and market researchers
Euromonitor International (Chile) Limited	South Africa	100%	Publishers and market researchers
Euromonitor International (Australia) Pty Limited	Australia	100%	Publishers and market researchers