

Financial Statements Euromonitor International Limited

For the year ended 31 March 2013



Registered number: 1040587

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

Registered number

1040587

Registered office

60/61 Britton Street
London
EC1M 5NA

Independent 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

Contents

	Page
Directors' report	1 - 4
Independent auditor's report	5 - 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 - 26

Directors' Report

For the year ended 31 March 2013

The directors present their report and the financial statements for the year ended 31 March 2013

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 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,
- 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.

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 16, the group has achieved a 14.5% increase on turnover and operating profit has increased by 27.5%.

The Directors anticipate further increases in revenues in 2014.

The consolidated balance sheet on page 8 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.

Directors' Report

For the year ended 31 March 2013

Key Performance Indicators

	2013	2012
Return on Capital Employed Percentage	144%	164%
Gross Margin percentage	68%	71%
Debtor Days	78	78

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 and dividends

The profit for the year, after taxation, amounted to £14,108,930 (2012 - £10,283,207)

Particulars of dividends paid are detailed in Note 19 to the financial statements

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

Donations

During the year, the company made charitable donations of £32,082 (2012 £18,783)

Directors' Report

For the year ended 31 March 2013

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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Euromonitor International Limited

Directors' Report

For the year ended 31 March 2013

This report was approved by the board on 12 December 2013 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 2013, which comprise the group Profit and loss account, the group and company Balance sheets, the group Cash flow statement, the group Statement of total recognised gains and losses 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 Financial Reporting Council'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 group's and of the parent company's affairs as at 31 March 2013 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 (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London

12 December 2013

Consolidated Profit and Loss Account

For the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	1,2	74,228,074	64,833,109
Cost of sales		<u>(23,625,673)</u>	<u>(18,372,307)</u>
Gross profit		50,602,401	46,460,802
Administrative expenses		<u>(32,264,386)</u>	<u>(32,130,387)</u>
Operating profit	3	18,338,015	14,330,415
Interest receivable and similar income		72,054	48,573
Interest payable and similar charges	7	<u>(13,004)</u>	<u>(23,253)</u>
Profit on ordinary activities before taxation		18,397,065	14,355,735
Tax on profit on ordinary activities	8	<u>(4,288,135)</u>	<u>(4,072,528)</u>
Profit for the financial year	17	<u>14,108,930</u>	<u>10,283,207</u>

All amounts relate to continuing operations

The notes on pages 12 to 26 form part of these financial statements

Consolidated Statement of Total Recognised Gains and Losses

For the year ended 31 March 2013

	2013	2012
	£	£
Profit for the financial year	<u>14,108,930</u>	<u>10,283,207</u>
Total recognised gains and losses relating to the year	<u><u>14,108,930</u></u>	<u><u>10,283,207</u></u>

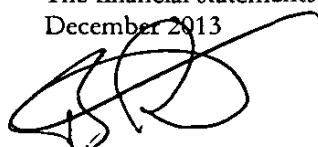
The notes on pages 12 to 26 form part of these financial statements

Consolidated Balance Sheet

As at 31 March 2013

	Note	£	2013 £	2012 £
Fixed assets				
Tangible assets	9		5,138,943	4,894,625
Current assets				
Stocks	11	883,327		987,181
Debtors	12	25,522,628		18,674,531
Cash at bank		33,277,776		24,164,467
		<u>59,683,731</u>		<u>43,826,179</u>
Creditors: amounts falling due within one year	13	<u>(48,418,281)</u>		<u>(37,467,356)</u>
Net current assets			<u>11,265,450</u>	<u>6,358,823</u>
Total assets less current liabilities			<u>16,404,393</u>	<u>11,253,448</u>
Creditors: amounts falling due after more than one year	14		<u>(1,606,241)</u>	<u>(2,422,126)</u>
Net assets			<u><u>14,798,152</u></u>	<u><u>8,831,322</u></u>
Capital and reserves				
Called up share capital	16		36,007	36,007
Capital redemption reserve	17		20,591	20,591
Profit and loss account	17		<u>14,741,554</u>	<u>8,774,724</u>
Shareholders' funds	18		<u><u>14,798,152</u></u>	<u><u>8,831,322</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 December 2013



T J Fenwick
Director

The notes on pages 12 to 26 form part of these financial statements

Company Balance Sheet

As at 31 March 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	9		4,373,182		4,459,100
Investments	10		1,690,120		1,690,120
			<u>6,063,302</u>		<u>6,149,220</u>
Current assets					
Stocks	11	883,327		987,181	
Debtors	12	25,450,385		19,704,541	
Cash at bank		27,551,075		17,969,518	
		<u>53,884,787</u>		<u>38,661,240</u>	
Creditors: amounts falling due within one year	13	<u>(49,172,436)</u>		<u>(38,119,489)</u>	
Net current assets			<u>4,712,351</u>		<u>541,751</u>
Total assets less current liabilities			<u>10,775,653</u>		<u>6,690,971</u>
Creditors: amounts falling due after more than one year	14		<u>(955,351)</u>		<u>(944,361)</u>
Net assets			<u><u>9,820,302</u></u>		<u><u>5,746,610</u></u>
Capital and Reserves					
Called up share capital	16		36,007		36,007
Capital redemption reserve	17		20,591		20,591
Profit and loss account	17		9,763,704		5,690,012
Shareholders' funds	18		<u><u>9,820,302</u></u>		<u><u>5,746,610</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 December 2013.



T.J. Fenwick
Director

The notes on pages 12 to 26 form part of these financial statements

Consolidated Cash Flow Statement

For the year ended 31 March 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	20	22,995,187	16,100,234
Returns on investments and servicing of finance	21	59,050	12,470
Taxation		(4,063,844)	(3,905,186)
Capital expenditure and financial investment	21	(629,367)	(569,299)
Equity dividends paid		(8,160,000)	(5,153,265)
Cash inflow before financing		10,201,026	6,484,954
Financing	21	(1,087,717)	804,181
Increase in cash in the year		9,113,309	7,289,135

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

For the year ended 31 March 2013

	2013 £	2012 £
Increase in cash in the year	9,113,309	7,289,135
Cash outflow from decrease in debt and lease financing	1,087,717	(804,181)
Movement in net debt in the year	10,201,026	6,484,954
Net funds at 1 April 2012	22,359,479	15,874,525
Net funds at 31 March 2013	32,560,505	22,359,479

The notes on pages 12 to 26 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

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 comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

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

1.5 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.6 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

1.7 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 2013

1. Accounting Policies (continued)

1.8 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

1.9 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

1.10 Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.11 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

1.12 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

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies (continued)

1.13 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.

1.14 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.

1.15 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.

Notes to the Financial Statements

For the year ended 31 March 2013

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/(crediting)

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the group	385,049	253,429
Operating lease rentals		
- plant and machinery	11,732	9,106
- other operating leases	1,932,759	1,492,307
Difference on foreign exchange	(166,535)	581,755
Research and development expenditure written off	20,530,944	18,303,170
	<u>20,530,944</u>	<u>18,303,170</u>

4. Auditors' remuneration

	2013 £	2012 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	44,500	43,200
Fees payable to the company's auditor and its associates in respect of		
Taxation compliance services	25,500	24,000
All other non-audit services not included above	4,000	4,000
	<u>44,500</u>	<u>43,200</u>

Notes to the Financial Statements

For the year ended 31 March 2013

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2013	2012
	£	£
Wages and salaries	30,736,477	26,863,767
Social security costs	3,302,966	2,866,752
Other pension costs	387,160	265,417
	<u>34,426,603</u>	<u>29,995,936</u>

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

	2013	2012
	No.	No
Communications	32	30
Finance	37	31
IT	83	69
Research	370	303
Sales	301	240
	<u>823</u>	<u>673</u>

6. Directors' remuneration

	2013	2012
	£	£
Remuneration	<u>2,250,307</u>	<u>1,874,501</u>
Company pension contributions to defined contribution pension schemes	<u>55,351</u>	<u>64,285</u>

During the year retirement benefits were accruing to 10 employees (2012 - 10) in respect of defined contribution pension schemes

The highest paid director received remuneration of £429,167 (2012 - £396,667)

Notes to the Financial Statements

For the year ended 31 March 2013

7. Interest payable

	2013	2012
	£	£
On bank loans and overdrafts	-	21
Other interest payable	13,004	23,232
	<u>13,004</u>	<u>23,253</u>

8. Taxation

	2013	2012
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	3,852,616	3,092,640
Adjustments in respect of prior periods	-	9,832
	<u>3,852,616</u>	<u>3,102,472</u>
Double taxation relief	-	(79,506)
	<u>3,852,616</u>	<u>3,022,966</u>
Foreign tax on income for the year	434,832	1,052,904
Total current tax	<u>4,287,448</u>	<u>4,075,870</u>
Deferred tax		
Origination and reversal of timing differences	-	(13,979)
Prior year adjustment	-	9,832
Difference in tax rates	687	805
Total deferred tax (see note 15)	<u>687</u>	<u>(3,342)</u>
Tax on profit on ordinary activities	<u>4,288,135</u>	<u>4,072,528</u>

Notes to the Financial Statements

For the year ended 31 March 2013

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2012 - the same as) the standard rate of corporation tax in the UK of 23% (2012 - 26%) as set out below

	2013 £	2012 £
Profit on ordinary activities before tax	<u>18,397,065</u>	<u>14,355,735</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 - 26%)	4,415,281	3,710,767
Effects of:		
Non-tax deductible expenses	163,779	175,450
Capital allowances for year in excess of depreciation	(103,052)	(5,627)
Higher rate taxes on overseas earnings	-	485
Other timing differences leading to an increase (decrease) in taxation	-	162,251
Profits charged at a higher rate of tax	112,764	22,227
Unrelieved tax losses carried forward	35,018	-
Unrelieved foreign tax	22,799	-
Under/(over) provision in respect of prior years (overseas)	(141,919)	-
Under/(over) provision in respect of prior years	(217,222)	10,317
Current tax charge for the year (see note above)	<u>4,287,448</u>	<u>4,075,870</u>

Notes to the Financial Statements

For the year ended 31 March 2013

9. Tangible fixed assets

Group	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost						
At 1 April 2012	4,425,000	524,014	85,888	1,086,615	1,367,199	7,488,716
Additions	-	-	-	414,626	214,741	629,367
At 31 March 2013	4,425,000	524,014	85,888	1,501,241	1,581,940	8,118,083
Depreciation						
At 1 April 2012	433,330	524,014	48,243	626,800	961,704	2,594,091
Charge for the year	55,000	-	9,411	125,283	195,355	385,049
At 31 March 2013	488,330	524,014	57,654	752,083	1,157,059	2,979,140
Net book value						
At 31 March 2013	3,936,670	-	28,234	749,158	424,881	5,138,943
At 31 March 2012	3,991,670	-	37,645	459,815	405,495	4,894,625

Company	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost						
At 1 April 2012	4,425,000	431,600	85,888	648,755	578,731	6,169,974
Additions	-	-	-	5,097	103,082	108,179
At 31 March 2013	4,425,000	431,600	85,888	653,852	681,813	6,278,153
Depreciation						
At 1 April 2012	433,330	431,600	48,243	387,437	410,264	1,710,874
Charge for the year	55,000	-	9,411	39,274	90,412	194,097
At 31 March 2013	488,330	431,600	57,654	426,711	500,676	1,904,971
Net book value						
At 31 March 2013	3,936,670	-	28,234	227,141	181,137	4,373,182
At 31 March 2012	3,991,670	-	37,645	261,318	168,467	4,459,100

Notes to the Financial Statements

For the year ended 31 March 2013

10. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2012 and 31 March 2013	1,690,120
Net book value	
At 31 March 2013	1,690,120
At 31 March 2012	1,690,120

Details of the principal subsidiaries can be found under note number 25

11. Stocks

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Work in progress	817,078	920,473	817,078	920,473
Finished goods and goods for resale	66,249	66,708	66,249	66,708
	883,327	987,181	883,327	987,181

12. Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	23,955,508	17,412,524	23,955,508	18,813,133
Amounts owed by group undertakings	-	-	583,189	-
Other debtors	513,217	387,682	267,337	368,536
Prepayments and accrued income	748,447	765,201	529,021	427,513
Withholding tax	3,709	82,984	-	79,506
Deferred tax asset (see note 15)	301,747	26,140	115,330	15,853
	25,522,628	18,674,531	25,450,385	19,704,541

Notes to the Financial Statements

For the year ended 31 March 2013

13. Creditors:
Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	137,700	137,700	137,700	137,700
Trade creditors	1,253,071	674,838	1,226,876	912,596
Amounts owed to group undertakings	-	-	3,499,895	1,933,162
Corporation tax	1,052,275	1,034,601	736,327	583,419
Other taxation and social security	1,087,569	875,424	1,001,614	757,850
Other creditors	5,946,699	445,375	4,064,624	697
Accruals and deferred income	38,940,967	34,299,418	38,505,400	33,794,065
	48,418,281	37,467,356	49,172,436	38,119,489

The mortgage loan is secured against the property it relates too

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

14. Creditors:
Amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	1,026,670	1,667,288	375,780	722,927
Net obligations under finance leases and hire purchase contracts	579,571	-	579,571	-
Other creditors	-	533,404	-	-
Accruals and deferred income	-	221,434	-	221,434
	1,606,241	2,422,126	955,351	944,361

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Between one and five years	579,571	-	579,571	-

Notes to the Financial Statements

For the year ended 31 March 2013

15. Deferred tax asset

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
At beginning of year	26,140	22,892	15,853	31,471
Released during/(charge for) the year	275,607	3,248	99,477	(15,618)
At end of year	301,747	26,140	115,330	15,853

The deferred tax asset is made up as follows

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Accelerated capital allowances	301,747	26,140	115,330	15,853

16. Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
50,010 Y Ordinary shares of £0.21 each	-	10,502
50,009 (2012 - 50,010) Z Ordinary shares of £0.51 each	25,505	25,505
20,004 Y1 Ordinary shares of £0.21 each	4,201	-
30,005 Y2 Ordinary shares of £0.21 each	6,301	-
	36,007	36,007

17. Reserves

Group	Capital redempt'n reserve	Profit and loss account
	£	£
At 1 April 2012	20,591	8,774,724
Profit for the financial year		14,108,930
Dividends Equity capital		(8,160,000)
FRS 20		17,900
At 31 March 2013	20,591	14,741,554

Notes to the Financial Statements

For the year ended 31 March 2013

17. Reserves (continued)

Company	Capital redempt'n reserve £	Profit and loss account £
At 1 April 2012	20,591	5,690,012
Profit for the financial year		12,215,792
Dividends Equity capital		(8,160,000)
Other movements		17,900
At 31 March 2013	<u>20,591</u>	<u>9,763,704</u>

18. Reconciliation of movement in shareholders' funds

Group	2013 £	2012 £
Opening shareholders' funds	8,831,322	3,692,490
Profit for the financial year	14,108,930	10,283,207
Dividends (Note 19)	(8,160,000)	(5,153,265)
Other movements in profit and loss reserve	17,900	8,890
Closing shareholders' funds	<u>14,798,152</u>	<u>8,831,322</u>

Company	2013 £	2012 £
Opening shareholders' funds	5,746,610	1,195,193
Profit for the financial year	12,215,792	8,321,626
Dividends (Note 19)	(8,160,000)	(5,153,265)
Other movements in profit and loss reserve	17,900	1,383,056
Closing shareholders' funds	<u>9,820,302</u>	<u>5,746,610</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 £12,215,792 (2012 - £8,321,626)

19. Dividends

	2013 £	2012 £
Dividends paid on equity capital	<u>8,160,000</u>	<u>5,153,265</u>

Notes to the Financial Statements

For the year ended 31 March 2013

20. Net cash flow from operating activities

	2013 £	2012 £
Operating profit	18,338,015	14,330,415
Depreciation of tangible fixed assets	-	255,547
Decrease/(increase) in stocks	103,854	(507,643)
Increase in debtors	(6,651,765)	(2,626,448)
Increase in creditors	11,205,083	4,648,363
Net cash inflow from operating activities	22,995,187	16,100,234

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

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	72,054	48,573
Interest paid	(13,004)	(23,253)
Income from investments in related companies	-	(12,850)
Net cash inflow from returns on investments and servicing of finance	59,050	12,470

	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(571,951)
Sale of intangible fixed assets	-	2,652
Purchase of tangible fixed assets	(629,367)	-
Net cash outflow from capital expenditure	(629,367)	(569,299)

	2013 £	2012 £
Financing		
New secured loans	-	806,661
Repayment of loans	(1,667,288)	(2,480)
New finance leases	579,571	-
Net cash (outflow)/inflow from financing	(1,087,717)	804,181

Notes to the Financial Statements

For the year ended 31 March 2013

22. Analysis of changes in net funds

	1 April 2012	Cash flow	Other non-cash changes	31 March 2013
	£	£	£	£
Cash at bank and in hand	24,164,467	9,113,309	-	33,277,776
Bank overdraft	(137,700)	-	-	(137,700)
	<u>24,026,767</u>	<u>9,113,309</u>	<u>-</u>	<u>33,140,076</u>
Debt:				
Debts due within one year	-	1,087,717	(1,087,717)	-
Debts falling due after more than one year	(1,667,288)	-	1,087,717	(579,571)
Net funds	<u>22,359,479</u>	<u>10,201,026</u>	<u>-</u>	<u>32,560,505</u>

23. Operating lease commitments

At 31 March 2013 the group had annual commitments under non-cancelable operating leases as follows

	Land and buildings		Other	
Group	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within 1 year	1,763,386	1,435,115	28,618	57,192
Between 2 and 5 years	6,421,572	5,540,493	53,538	116,549
After more than 5 years	2,785,946	2,702,951	-	-

At 31 March 2013 the company had annual commitments under non-cancelable operating leases as follows

	Land and buildings		Other	
Company	2013	2012	2013	2012
	£	£	£	£
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	-	-

24. 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

Notes to the Financial Statements

For the year ended 31 March 2013

25. 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