

Oxford Analytica Daily Brief Limited
Annual report
for the year ended 31 December 1994

Registered no: 1831480



Oxford Analytica Daily Brief Limited

Annual report for the year ended 31 December 1994

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Directors and advisers

Executive directors

D R Young - Chairman
K C Leaman
S K Young
J W Wood

Secretary and registered office

D R Young
5 Alfred Street
Oxford
OX1 4EH

Registered Auditors

Coopers & Lybrand
Harman House
1 George Street
Uxbridge
Middlesex
UB8 1QQ

**Directors' report
for the year ended 31 December 1994**

The directors present their report and the audited financial statements for the year ended 31 December 1994.

Principal activities

The principal activity of the company continues to be that of making available to senior management in business and government, the professional capabilities and knowledge of economic, political and legal specialists at Oxford University and other centres of learning.

Review of business

The profit and loss account is set out on page 5.

The performance for the year was satisfactory and is expected to be maintained for the foreseeable future.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 1994. The loss for the financial year of £34,356 (31 December 1993: profit £42,723) will be transferred to reserves.

Changes in fixed assets

There were no movements in fixed assets during the year.

Directors

The following were directors of the company for the whole year:-

D R Young - Chairman
K C Leaman
S K Young
J W Wood

Close company provisions

In the opinion of the directors the company is a close company within the meaning of Section 414 of the Income and Corporation Taxes Act 1988.

Statement of Directors' Responsibilities

Company law 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 of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

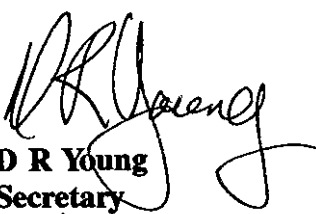
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare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

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

By order of the board


D R Young
Secretary
31 January 1996

**Report of the auditors to the members of
Oxford Analytica Daily Brief Limited**

We have audited the accounts on pages 5 to 11 in accordance with Auditing Standards.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

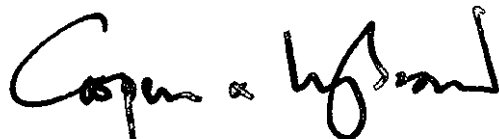
Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 mis-statement, 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 of the state of affairs of the company as at 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
London, 21 January 1996

Profit and loss account for the year ended 31 December 1994

	Notes	Year ended 31 December 1994 £	Year ended 31 December 1993 £
Continuing operations			
Turnover	1,2	911,669	886,070
Cost of sales		(597,413)	(458,670)
Gross profit		314,256	427,400
Administrative expenses		(348,612)	(383,364)
Operating (loss)/profit		(34,356)	44,036
Interest payable and similar charges	5	-	(1,313)
(Loss)/profit on ordinary activities before taxation	6	(34,356)	42,723
Taxation	7	-	-
Retained (loss)/profit for the financial year		(34,356)	42,723
Statement of accumulated losses			
Accumulated losses brought forward		(75,764)	(118,487)
(Loss)/profit for the financial year		(34,356)	42,723
Accumulated losses carried forward		(110,120)	(75,764)

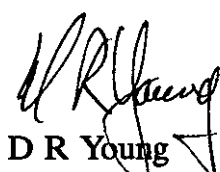
The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the retained profit for the year stated above, and its historical cost equivalent.

Balance sheet at 31 December 1994

	Notes	31 December 1994 £	31 December 1993 £
Fixed assets			
Tangible assets		-	-
Creditors: amounts falling due within one year	8	(110,118)	(75,762)
Net current liabilities		(110,118)	(75,762)
Net liabilities		<u>(110,118)</u>	<u>(75,762)</u>
Capital and reserves			
Called-up share capital	9	2	2
Profit and loss account	10	(110,120)	(75,764)
Equity shareholders' funds		<u>(110,118)</u>	<u>(75,762)</u>

The financial statements on pages 5 to 11 were approved by the board of directors on
31 January 1996 and were signed on its behalf by:


D R Young
Director

**Notes to the financial statements
for the year ended 31 December 1994****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Turnover

Turnover represents the contractual payment of a licence fee for the marketing rights, by Oxford Analytica Inc., with respect to the Daily Brief produced by the company.

Foreign currency

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

Deferred taxation

Deferred tax is accounted for in respect of material timing differences to the extent that it is foreseen that a liability will crystallise.

Provision is made for deferred tax at the rate of corporation tax expected to be ruling on the date when it is anticipated the timing differences will reverse.

Cash flow statement

The company is exempt from preparing a cash flow statement under the provisions of FRS 1 since it qualifies as a 'small' company under the terms of s247(3) of the Companies Act 1985.

2 Turnover and profit on ordinary activities before taxation

Under the terms of the marketing agreement between Oxford Analytica Inc. and the company dated 31 July 1987 and as amended on 21 December 1988 and 15 April 1993, Oxford Analytica Inc. was granted the exclusive right to distribute and market the products and services of the company worldwide. This represents the source of finance for the company and in the event that Oxford Analytica Inc. is not able to provide sufficient finance to the company to continue its activities, the company will not be able to continue trading. At 31 December 1994 Oxford Analytica Inc. has a deficiency of net assets of £1,292,440 (\$2,016,207) (31 December 1993: deficiency, £1,326,591 (\$1,963,355)).

3 Directors' emoluments

The remuneration paid to the directors of Oxford Analytica Daily Brief Limited was:

	Year ended 31 December 1994 £	Year ended 31 December 1993 £
Directors' remuneration	44,020	45,739

Fees and other emoluments (excluding pension contributions) include amounts paid to:

	Six months ended 31 December 1994 £	Year ended 31 December 1993 £
The chairman and highest-paid director	39,133	34,386

The number of directors (including the chairman and the highest-paid director) who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	Six months ended 31 December 1994 Number	Year ended 31 December 1993 Number
£Nil to £5,000	1	1
£10,001 to £15,000	1	1
£30,001 to £35,000	-	1
£35,001 to £40,000	1	-

4 Employee information

The company had no employees during the period ended 31 December 1994 (1993: Nil). All persons working for the company are employed by Oxford Analytica Limited and their employment costs have been charged in full to the company.

5 Interest payable and similar charges

	Year ended 31 December 1994 £	Year ended 31 December 1993 £
On bank loans, overdrafts and other loans:		
Repayable within 5 years, not by instalments	-	1,027
Repayable after 5 years	-	286
	<u>Nil</u>	<u>1,313</u>

6 (Loss)/profit on ordinary activities before taxation

	Year ended 31 December 1994 £	Year ended 31 December 1993 £
(Loss)/profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	11,185	10,200
Hire of plant and machinery	<u>21,628</u>	<u>11,984</u>

7 Taxation

There is no liability to United Kingdom corporation tax due to the loss for the year.

8 Creditors: amounts falling due within one year

	31 December 1994	31 December 1993
Amounts owed to group undertakings:		
Oxford Analytica Limited	<u>110,118</u>	<u>75,762</u>

9 Called-up share capital

	31 December 1994 £	31 December 1993 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 Reserves

	Profit and loss account £	Equity shareholders' funds £
At 1 January 1994	(75,764)	(75,762)
(Loss)/profit for the financial year	(34,356)	(34,356)
At 31 December 1994	<u>(110,120)</u>	<u>(110,118)</u>

11 Group refinancing activities

During the 1994 year Oxford Analytica Inc., from whom the company derives its main source of income (see note 2), began procedures to correct the deficiency of net assets. Finance was initially introduced in the form of short term loans which totalled £594,551 (\$927,500) and was reflected in the Oxford Analytica Inc. financial statements. The Directors are raising permanent new equity capital for the company through a Private Placement Memorandum by an offering of stock in its holding company, Oxford Analytica International Group Inc., a Delaware corporation. The placement opened on 15 April 1995. £666,463 (\$1,035,000) has been converted into equity to date. The offer has not yet closed.

12 Ultimate and immediate parent companies

The directors regard Oxford Analytica Limited, a company registered in England and Wales, as the immediate parent company. According to the register kept by the company, Oxford Analytica Limited has a 100% interest in the equity capital of Oxford Analytica Daily Brief Limited at 31 December 1994.

The ultimate parent company is Oxford Analytica International Group Inc., a company registered in the state of Delaware, U.S.A.