

Agra CEAS Consulting Limited

**Directors' report and financial
statements**

**Registered number 1952298
31 December 2005**



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

Principal activities

The principal activities of the company are to act as consultants and advisers in the field of economic research for the food and agriculture industries.

Business review and future prospects

Both the level of business and the year-end financial position were satisfactory. The directors expect the general level of activity to continue in future periods.

Dividends

The company's profit for the year, after taxation, amounted to £161,980 (2004: £89,733). The directors propose the payment of a final dividend of £115,500 for the year (2004: £82,500).

Directors and directors' interests

The directors who held office during the year were as follows:

M Hobbs (Chairman)
C Caspari
GC Baker
DS Gilbertson
Professor RW Fraser
Professor JHD Prescott
AM Foye

DS Gilbertson and AM Foye were also directors of the ultimate parent company, Informa plc at 31 December 2005. The interests of these directors in the share capital of the ultimate parent company are disclosed in its annual report.

The other directors who held office at the end of the financial year had the following interests in the ordinary shares of the ultimate parent company, Informa plc, according to the register of directors' interests:

<i>Shares</i>	Type	At 1 January 2005	Acquisitions (disposals) pre rights issue	Rights issue	Acquisitions (disposals) post rights issue	At 31 December 2005
M Hobbs	Beneficial	65,638	5,472	16,968	15,901	103,979
C Caspari	Beneficial	531	-	212	1,700	2,443
GC Baker	Beneficial	-	-	-	-	-
RW Fraser	-	-	-	-	-	-
JHD Prescott	-	-	-	-	-	-

The market price of Informa plc's shares on 31 December 2005 was 433.75p and ranged from 329.24p to 433.75p in the year to 31 December 2005 (prices adjusted for rights issue on 24 July 2005).

Directors' report *(continued)*

Directors and directors' interests *(continued)*

Share options

	Type	At 1 January 2005	Granted/ (lapsed) pre rights issue	Rights issue additions	Granted/ (lapsed) post rights issue	At 31 December 2005	Exercise period
M Hobbs	3 Year SAYE	3,953	-	474	(4,427)	-	Jul 2005 to Dec 2005
	Discretionary:						
	approved scheme	4,743	-	569	-	5,312	Apr 2003 to Apr 2010
	unapproved scheme	35,257	-	4,230	-	39,487	Apr 2003 to Apr 2010
	unapproved scheme	30,000	(30,000)	-	-	-	Mar 2005 to Mar 2012
	Management incentive plan	-	-	-	13,327	13,327	After Dec 2007
C Caspari	3 Year SAYE	1,518	-	182	(1,700)	-	Jul 2005 to Dec 2005
GC Baker	5 Year SAYE	6,887	-	826	-	7,713	Jul 2007 to Dec 2007
	Discretionary:						
	approved scheme	4,743	-	569	-	5,312	Apr 2003 to Apr 2010
	unapproved scheme	5,257	-	630	-	5,887	Apr 2003 to Apr 2010
	unapproved scheme	5,000	(5,000)	-	-	-	Mar 2005 to Mar 2012
RW Fraser	-	-	-	-	-	-	-
JHD Prescott	-	-	-	-	-	-	-

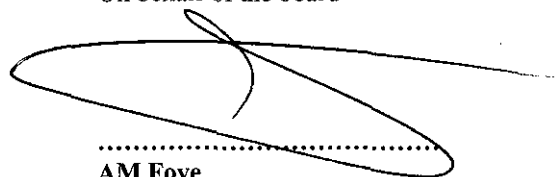
Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. As these financial risks are managed entirely by the treasury function of the ultimate parent company the directors consider these risks are fully mitigated.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Deloitte & Touche LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board



.....
AM Foye
Director

37-41 Mortimer Street
London
W1T 3JH

22 February 2007

Statement of directors' responsibilities

United Kingdom 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 at the end of the financial year and of the profit or loss 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; 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the independent auditors to the members of Agra CEAS Consulting Limited

We have audited the financial statements of Agra CEAS Consulting Limited for the year ended 31 December 2005, which comprise the profit and loss account, the balance sheet and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As 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 (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Accounting (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the Companies Act 1985. We also report 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 transactions with the company is not disclosed.

We read the directors' report and other information contained in the annual report for the above year and as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements and material inconsistencies with the financial statements.

Basis of 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 the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

26 February

2007

Profit and loss account

for the year ended 31 December 2005

	<i>Note</i>	2005 £	2004 (restated) £
Turnover		1,168,979	620,300
Operating profit	2	160,683	87,452
Interest receivable and similar income	6	7,614	2,281
Interest payable and similar charges	7	(6,317)	-
Profit on ordinary activities before taxation	3	161,980	89,733
Tax on profit on ordinary activities	8	-	-
Profit on ordinary activities after taxation		161,980	89,733
Ordinary dividends paid on equity shares	9	(82,500)	(35,000)
Retained profit for the year	15	79,480	54,733

The company has no recognised gains or losses for the year ended 31 December 2005 and 2004 other than the profit for the year and thus no statement of total recognised gains and losses has been produced.

A note on historical cost profits and losses has not been included as part of these financial statements as the results as disclosed in the profit and loss account are prepared on an unmodified historical cost basis. All results are derived from continuing operations.

Balance sheet

at 31 December 2005

	Note	2005		2004 (restated)	
		£	£	£	£
Fixed assets					
Tangible assets	10		13,594		13,490
Investments	11		61,896		61,896
			<u>75,490</u>		<u>75,386</u>
Current assets					
Debtors	12	447,686		340,111	
Cash at bank and in hand		431		77	
		<u>448,117</u>		<u>340,188</u>	
Creditors: amounts falling due within one year	13	<u>(249,428)</u>		<u>(220,875)</u>	
Net current assets			<u>198,689</u>		<u>119,313</u>
Net assets			<u>274,179</u>		<u>194,699</u>
Capital and reserves					
Called up share capital	14		11,000		11,000
Share premium account	15		30,318		30,318
Profit and loss account	15		232,861		153,381
Total Equity Shareholders' funds	16		<u>274,179</u>		<u>194,699</u>

These financial statements were approved by the board of directors on 22 February 2007 and were signed on its behalf by:

.....
AM Foye
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except for FRS 21, as set out in note 20.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards and under the historical cost accounting rules.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts as its results are consolidated by the ultimate parent undertaking, Informa plc, and its immediate parent undertaking is incorporated in the European Union.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a small entity and entitled to the exemptions for small companies in the Companies Act 1985.

Investments

Fixed asset investments are stated at cost less provision for any impairment in value.

Fixed assets and depreciation

Tangible fixed assets are recorded at cost, less accumulated depreciation and any provision for impairment. The cost of tangible fixed assets is their purchase cost, together with any incidental cost of acquisition.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures, fittings and equipment	-	3-5 years
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Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Foreign currencies

Transactions in foreign currencies are recorded using the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rates or the rates of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

Pension costs

The company is a member of the group defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. Deferred tax assets are only recognised to the extent that they are fully recoverable in the short term.

Turnover

Turnover represents the invoiced value of goods and services rendered, excluding value added tax and trade discounts. No disclosure of geographical markets is given in the accounts as the directors consider that it would be prejudicial to the company.

2 Analysis of operating activities

	2005 £	2004 £
Turnover	1,168,979	620,300
Cost of sales	(867,701)	(435,335)
Gross profit	301,278	184,965
Administrative expenses	(140,595)	(97,513)
Operating profit	160,683	87,452

Notes (continued)

3 Profit on ordinary activities before taxation

	2005 £	2004 £
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Auditors' remuneration:		
Audit services	6,492	6,300
Operating leases:		
Land and buildings	12,288	12,288
Depreciation on owned assets	6,894	4,067
Exchange (gains)/ losses	6,317	(2,963)
	<u> </u>	<u> </u>

4 Remuneration of directors

The aggregate emoluments including salaries, bonuses, and benefits in kind:

	2005 £	2004 £
Directors' emoluments	108,748	88,821
Company contributions to money purchase schemes	5,503	5,183
	<u> </u>	<u> </u>
	114,251	94,004
	<u> </u>	<u> </u>

	2005	2004
Number of directors receiving remuneration	1	1
	—	—
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	1	1
	—	—

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2005	2004
Marketing and selling	6	5
Administration	1	1
	<u> </u>	<u> </u>
	7	6
	<u> </u>	<u> </u>

Notes *(continued)*

5 Staff numbers and costs *(continued)*

The aggregate payroll costs of these persons were as follows:

	2005	2004
	£	£
Wages and salaries	294,003	172,471
Social security costs	32,543	22,420
Other pension costs (see note 18)	12,549	11,280
	<u>339,095</u>	<u>206,171</u>

6 Interest receivable and similar income

	2005	2004
	£	£
Interest receivable on group deposits	7,614	2,281
	<u>7,614</u>	<u>2,281</u>

7 Interest payable and similar charges

	2005	2004
	£	£
Net foreign exchange losses	(6,317)	-
	<u>(6,317)</u>	<u>-</u>

Notes (continued)

8 Taxation

Analysis of charge in year

	2005 £	2004 £
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
	<hr/>	<hr/>
Total current tax charge	-	-
	<hr/>	<hr/>

Factors affecting the tax charge for the current year

The current tax charge for the year is lower than (2004: lower than) the standard rate of corporation tax in the UK (30%, 2004: 30%). The differences are explained below.

	2005 £	2004 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	161,980	89,733
	<hr/>	<hr/>
Current tax at 30% (2004: 30%)	48,594	26,920
<i>Effects of:</i>		
Tax depreciation in excess of amortisation	(47)	-
Expenses not deductible for tax purposes	75	-
Group relief for nil consideration	(48,622)	(26,920)
	<hr/>	<hr/>
Total current tax charge (see above)	-	-
	<hr/>	<hr/>

Notes *(continued)*

9 Dividends paid and proposed on equity shares

Equity shares:	2005 £	2004 £
- Dividend paid of 7.50p (2004 – 3.18p) per ordinary share	82,500	35,000
- Dividend proposed of 10.50p (2004 – 7.50p) per ordinary share	115,500	82,500
	<hr/>	<hr/>

10 Tangible fixed assets

	Fixtures, fittings and equipment £
<i>Cost</i>	
At 1 January 2005	115,157
Additions	6,998
Less disposals	(3,398)
	<hr/>
At 31 December 2005	118,757
	<hr/>
<i>Depreciation</i>	
At 1 January 2005	101,667
Charge for year	6,894
Less written back on disposals	(3,398)
	<hr/>
At 31 December 2005	105,163
	<hr/>
<i>Net book value</i>	
At 31 December 2005	13,594
	<hr/>
At 31 December 2004	13,490
	<hr/>

11 Fixed asset investments

	Shares in subsidiary undertakings £
<i>Cost and net book value</i>	
At 31 December 2005 and 31 December 2004	61,896
	<hr/>

11 Fixed asset investments (continued)

The principal companies in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Bureau Européen de Recherches SA	Belgium	Business consultancy in Belgium	100%

12 Debtors

	2005 £	2004 £
Trade debtors	23,075	101,060
Owed by group undertakings	299,490	199,779
Other debtors	19,437	539
Prepayments and accrued income	105,684	38,733
	<u>447,686</u>	<u>340,111</u>

13 Creditors: amounts falling due within one year

	2005 £	2004 £
Payments received on account	42,957	83,367
Trade creditors	27,475	5,104
Amounts owed to group undertakings	118,876	117,455
Accruals and deferred income	60,120	14,949
	<u>249,428</u>	<u>220,875</u>

14 Called up share capital

	2005 £	2004 £
<i>Authorised</i>		
20,000 ordinary shares of £1 each	20,000	20,000
<i>Authorised, issued, called up and fully paid</i>		
11,000 ordinary shares of £1 each	11,000	11,000

Notes (continued)

15 Share premium and reserves

	Share premium Account £	Profit and loss £
At 1 January 2005	30,318	153,381
Retained profit for the year	-	79,480
	<hr/>	<hr/>
At 31 December 2005	30,318	232,861
	<hr/>	<hr/>

16 Reconciliation of movements in equity shareholders' funds

	2005 £	2004 £
Profit for the financial year	161,980	89,733
Dividend	(82,500)	(35,000)
	<hr/>	<hr/>
Net increase in shareholders' funds	79,480	54,733
Prior year adjustment	-	35,000
Opening shareholders' funds as restated	194,699	104,966
	<hr/>	<hr/>
Closing shareholders' funds	274,179	194,699
	<hr/>	<hr/>

The prior year adjustment above arose from the restatement of dividends in 2004 as these did not meet the criteria of FRS 12 and so the dividends have not been recognised as a liability.

17 Commitments

At 31 December 2005 the company had not entered into any capital expenditure that was contracted but not provided for in the financial statements (2004: £nil).

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2005 £	2004 £
Operating leases which expire:		
Within one to five years	12,288	12,288
	<hr/>	<hr/>

18 Pension scheme

The company operates for its employees a defined contribution scheme and also contributes to individual employees' personal pension funds. The pension cost charge for the year represents contributions payable by the company to the funds and amounted to £12,549 (2004: £11,280). No amounts were outstanding at the end of the financial year in respect of this charge.

Notes (continued)

19 Related party transactions

Turnover includes £90,581(2004: £65,301) invoiced to Bureau Européen de Recherches SA, the company's Belgian subsidiary. This income was in respect of work done for that company in the normal course of business. Cost of sales includes £251,052(2004: £76,688) in respect of amounts invoiced from Bureau Européen de Recherches SA. These costs were in respect of work done by that company in the normal course of business. Administrative expenses include £14,952 (2004: £13,712) of costs recharged from subsidiary undertakings of Informa plc.

At 31 December 2005, an amount of £62,369 was due from the company to Bureau Européen de Recherches SA(2004: £56,115 due to the company from Bureau Européen de Recherches SA.)

20 Post balance sheet events

The company have adopted FRS 21 and not recognised the proposed final dividend as a liability at the year end for £115,500 as these were declared after the year end. These dividends have since been paid in June 2006. The directors consider that this new policy provides a fairer presentation of the result and of the financial position of the company. The comparative dividends in the profit and loss account and notes have been restated to reflect the new policy.

21 Ultimate parent company and controlling party

The immediate parent company is Agra Informa Limited, a company registered in England and Wales. According to the register kept by the company, Agra Informa Limited has an 81.8% interest in the share capital of Agra CEAS Consulting Limited.

The directors regard Informa plc, a company registered in England and Wales, as the ultimate parent company and ultimate controlling party. Informa plc prepared consolidated financial statements for the period ended 31 December 2005. This is the smallest and largest group into which the company is consolidated.

Copies of the group's consolidated financial statements may be obtained from:

The Company Secretary
Informa plc
37-41 Mortimer Street
London
W1T 3JH.