

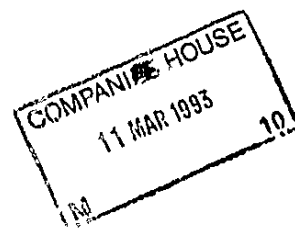
# **EUROMONEY**

## **PUBLICATIONS PLC**

**ANNUAL REPORT & ACCOUNTS 1992**

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of the company will be held at Stationers' Hall, Ave Maria Lane, London EC4 at 9.30am on Thursday 14th January 1993 for the following purposes:

- 1 To receive reports of the directors and the auditors and the accounts for the year ended 30th September 1992.
- 2 To approve a final dividend for the year ended 30th September 1992 of 21.5p on each of the ordinary shares of 1p each then in issue.
- 3 To re-elect The Viscount Rothermere as a director.
- 4 To re-elect Mr C.J.F. Sinclair as a director.
- 5 To re-elect Mr T. Hosomi, a retiring director, who is over 70 years of age. Special notice has been received for this resolution.
- 6 To re-elect Mr J.C. Botts as a director.
- 7 To consider and if thought fit pass the following resolution as an ordinary resolution:

That the directors be and they are hereby generally and unconditionally authorised to exercise all powers of the company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount equal to the nominal amount of the authorised but unissued share capital at the date of passing of this resolution. This authority shall expire on 14th January 1998 save that the company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

- 8 To consider and if thought fit pass the following resolutions as special resolutions:

(i) That subject to the passing of the previous resolution the directors be and are hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the said Act) for cash pursuant to the authority conferred by the previous resolution as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment provided that this power shall be limited

(a) to the allotment of equity securities in connection with a rights issue or other offer of equity securities in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them subject always to such exclusions or other arrangements as the directors deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of overseas jurisdictions or the requirements of any regulatory body; and

(b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities having a nominal amount not exceeding an aggregate of £10,252.

and shall expire on the date of the next annual general meeting of the company after the passing of this resolution save that the company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

(ii) That the company may be converted into uncertificated form and where units of a security (existing or future) are at any time to be issued by the company they may be issued in such form other than certificated or in such form as the directors of the company think fit; and

## NOTICE OF ANNUAL GENERAL MEETING

(b) conversion of the ordinary shares of 1p each in the capital of the company into uncertificated form is hereby authorised.

(iii) That the regulations contained in a document produced to the meeting and signed for the purposes of identification by the chairman thereof be and are hereby adopted as the Articles of Association of the company in substitution for and to the exclusion of the existing Articles of Association of the company.

9 To re-appoint Ernst & Young as auditors of the company and to authorise the directors to fix their remuneration.

By order of the board  
M O'Sullivan  
Secretary



### Notes:

1 A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote on his behalf. A proxy need not also be a member. A form of proxy for use at the meeting is enclosed and if used should be lodged with the Secretary at Nestor House, Playhouse Yard, London EC4V 5EX not later than 9.30 am on 12th January 1993.

2 Holders of international depositary receipts (IDRs) in respect of ordinary shares in the company may give directions in writing as to the voting of such ordinary shares on application to Banque Internationale a Luxembourg SA (BIL) of 2 Boulevard Royal 2953, Luxembourg, attention Securities Department, and by depositing their IDRs with BIL or any of the agents mentioned on the IDRs. Such instructions must be received by BIL and such deposits must be made not later than 9.30 am on 7th January 1993.

3 It is proposed to pay the final dividend, if approved, on 25th January 1993 to shareholders registered on 8th January 1993.

4 Holders of international depositary receipts can receive their dividend, if approved, from 25th January 1993, by presentation of coupon number 11 to Banque Internationale a Luxembourg or one of the agents.

5 Particulars of transactions of each director and his family interests in the shares of the company will be available for inspection by members at the registered office of the company during usual business hours until the date of the meeting and at Stationers' Hall, Ave Maria Lane, London EC4 from 9.15am until the end of the meeting on Thursday 14th January 1993.

6 Particulars of service contracts of directors will be available for inspection at the registered office of the company during usual business hours until the date of the meeting and at Stationers' Hall, Ave Maria Lane, London EC4 from 9.15am until the end of the meeting on Thursday 14th January 1993.

7 The proposed new articles will be available for inspection at the registered office of the company during usual business hours until the date of the meeting and at Stationers' Hall, Ave Maria Lane, London EC4 from 9.15am until the end of the meeting on Thursday 14th January 1993.

## DIRECTORS, OFFICERS AND ADVISERS

### DIRECTORS

**CHAIRMAN**  
PM Fallon #

**MANAGING DIRECTOR**  
PR Ensor #

The Viscount Rothermere \*  
Sir Patrick Sergeant \* #  
CJF Sinclair \* #  
T Hosomi (Japanese) \*  
Sir Michael Sandberg \*  
NJ Bance  
NF Osborn  
DC Cohen  
PW Hewitt  
CR Brown  
GB Strahan  
JP Williams \*  
JC Botts \* #

(\* non-executive)

(# members of the nominations and compensations committee)

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**Joint Presidents**  
The Viscount Rothermere  
Sir Patrick Sergeant

**Secretary**  
M O'Sullivan

**Registered Office**  
Nestor House, Playhouse Yard, London EC4V 5EX  
Registered number: 954730

**Auditors**  
Ernst & Young  
Becket House, 1 Lambeth Palace Road, London SE1 7EU

**Solicitors**  
Nabarro Nathanson  
50 Stratton Street, London W1X 5FL

**Depositary**  
Banque Internationale a Luxembourg SA  
2 Boulevard Royal, 2953 Luxembourg

**Agents of the Depositary**  
Citicorp Investment Bank (Switzerland)  
Bahnhofstrasse 63, P. O. Box 224, CH 8021 Zurich

**Citibank NA**  
Citibank House, 336 Strand, London WC2R 1HB

**Citibank NA**  
Avenue de Tervuren 249, B1150 Brussels

**Registrars**  
Regis Registrars Limited  
Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ

## CHAIRMAN'S STATEMENT

This is my first statement to you as chairman of Euromoney, and I begin by paying tribute to Sir Patrick Sergeant, who, together with the second Viscount Rothermere, founded the company in 1969, and who retired as chairman on September 30 last. We will miss Patrick very much as chairman, but we are delighted to have his continuing counsel as a non-executive director. We are also very pleased to welcome the promotion of Richard Ensor to managing director.

Your company did well last year due, in part, to our strategy of creating and acquiring publications and other products aimed at enterprises that operate internationally. In the past five years our operating profits, before interest receivable, have grown at a compound rate of nearly 22% a year, while international financial markets, our traditional area of publishing, have been generally in recession.

In the year to September 30 last, our profits before tax rose by 35% to £13.8 million, operating profits by 47%, earnings by 33% to 44.4p a share, and turnover by 26% to £44.8 million. Each was again a record. So is the proposed total dividend of 29.5p net a share, which compares with a total of 22.5p for the previous year.

We achieved record results from international financial publishing. Our regional magazines in Latin America and Asia also produced record results, as did energy, law and tax publishing, and database and information services. Events businesses recovered sharply from a downturn in 1991 caused principally by the Gulf War. Aviation and leasing publishing continued to suffer from the recession in their markets, but this was more than offset by good performances of acquisitions in that division.

In general, the sharpest growth in profits has come from products we have launched or bought in recent years. It is encouraging that a significant number of our publications are young, and perhaps in the early stages of growth.

Our revenues flow from a broadening spread of business: we have more products and we operate in more countries. We now own or control 27 magazines. Through our associate companies, most of which will become subsidiaries in due course, we own shareholdings in 14 more. As the numbers of our magazines grow, so does our capacity to produce supplements and other products. This increasing spread is also reflected in our widening interests in seminars, training and directories.

Our advertising revenues last year grew by 29% and survey revenues by 56%. Survey revenues are more volatile than conventional advertising sales and may distort, for better or for worse, the underlying trend of the company's earnings.

So far this year, advertising revenues are much the same as a year ago although survey revenues are down. However, it is hard to say how either will turn out because we normally earn more than 60% of our revenues in the second half of our year and a large proportion of those in September, the month of the special IMF and World Bank issues.

Although we continue to generate more cash than we spend on acquisitions, we will earn less from it as interest rates fall. The bulk of our cash has been hedged to the end of calendar 1993, at interest rates above prevailing market levels. Most of our forecast net dollar revenues have also been hedged to the end of 1993, at an exchange rate that is 4% more in our favour than in

*the previous year. The devaluation of sterling should benefit the company next year. Only 23% of our revenues arose in the UK last year, while 76% of our costs were in sterling. Our contribution to Britain's exports was recognised again during the year when we won the Queen's Award for Exports for the third time.*

*We shall continue to launch new titles, and to acquire companies and titles to which we can add value. In the last financial year we spent £3.4 million on acquisitions, yet we have £21.5 million net in cash, money market investments and gilts, against £18.9 million a year ago. We are examining other industries that may suit our particular skills at cross-border publishing. Although many areas of the world are still depressed, we believe there may be good long-term opportunities to grow, or to recover.*

*Much will depend on the quality and motivation of our people, who have worked hard and well around the world. We owe them a vote of thanks for last year's achievements, and all of us hope to serve you well in these tough but exciting times.*

**PRINCIPAL PUBLICATIONS AND ACTIVITIES**  
Including affiliated companies

INTERNATIONAL FINANCE

**Euromoney Magazine** - the leading magazine on international finance.

**Book Publishing** - specialist financial textbooks.

**Euromoney - Japanese Edition** - the first international financial magazine in the Japanese language.

**Global Investor** - the magazine for investment institutions worldwide.

**Corporate Finance** - the monthly magazine for senior international financial officers in major corporations.

**Latin Finance** - the dominant magazine covering finance in Latin America.

**Asia Money & Finance** - the dominant regional magazine on Asia-Pacific finance.

**Trade Finance** - the monthly analysis of export, import and project finance.

**Euroweek** - the weekly specialist publication on international capital markets.

**Treasury Manager** - for the foreign exchange, and its derivatives, markets.

**Securities Lending** - the quarterly magazine for the stock lending and repo markets.

**ICB** - the bi-monthly magazine for international correspondent banking and the securities processing business.

**China Banking & Finance** - the journal on Chinese finance.

LAW AND TAX

**International Financial Law Review** - for legal advisors in international finance.

**International Corporate Law** - for legal practitioners at international business corporations, and their advisors.

**International Tax Review** - for international business corporations and financial institutions.

**Managing Intellectual Property** - the legal magazine for specialists in intellectual property worldwide.

**Environmental Risk** - for management of environmental issues.

**China Law & Practice** - the legal journal for China.

**Asia Law & Practice** - the legal journal for Asia.

**IP Asia** - the intellectual property journal for Asia.

**New Gazette** - the Hong Kong Law Society's official publication.

**Singapore Law Society Gazette** - the Singapore Law Society's official publication.

AVIATION AND SHIPPING

**Airfinance Journal** - for specialists in aircraft and airline financings.

**Aircraft Economics** - the bi-monthly magazine examining the profitability and investment performance of commercial aircraft.



**Airport Support** - the dominant monthly magazine on support services at the world's airports.

**Aircraft Maintenance International** - the leading magazine on the latest techniques of maintaining and enhancing airline fleets.

**International Cruise & Ferry Review** - the twice yearly report on the latest technological and service developments in the passenger shipping industry.

**International Shipping Review** - reports on trends and developments in the shipping industry.

**Port Development International** - the leading journal for port operators and users.

#### LEASING

**Asset Finance & Leasing Digest** - for leasing specialists worldwide.

#### ENERGY

**Petroleum Economist** - the leading journal on the economics of the international energy industry.

**Natural Gas** - published under contract for one of the world's largest gas companies.

**Gas World International** - the specialist magazine on gas transmission and distribution.

#### INSURANCE

**ReActions** - the magazine of international insurance and reinsurance.

**Corporate Cover** - the magazine for the risk management and commercial insurance business.

#### OTHER

**Corporate Location** - the leading magazine for companies planning to expand into different countries.

**European Food and Drink Review** - the quarterly review of food equipment and ingredients for the European food manufacturer.

**World Link** - the bi-monthly magazine of the World Economic Forum for world economic leaders.

**Meetings and Incentive Travel** - the magazine covering the meetings and incentive travel market.

**Association Meetings International** - the magazine dedicated to the international association meetings market.

**HK Staff** - a recruitment magazine for professionals in Hong Kong.

#### DIRECTORIES

Annual publications on senior personnel in law firms, banks, governments, corporations, securities firms and the aviation and leasing industry.

EVENT BUSINESSES

**Euromoney Conferences** - bringing together financial audiences across the globe.

**Euromoney Asset Finance and Aviation Seminars** - the specialist organiser of programmes for decision makers in aircraft finance, aviation and leasing.

**Euromoney Training** - training in techniques and financial markets for securities firms and international banking personnel.

**Euromoney Legal Training** - training lawyers in the mechanics of international financing techniques.

**Energy Training** - training executives in the oil and gas industry.

**Specialist Product Seminars** - focused events for professionals on topical problems and choices.

**Financial 1** - the leading producer of financial training videos.

DATABASES AND INFORMATION SERVICES

**Capital Market Databases** - electronic retrieval systems on international securities, loans and other financial activities.

**Euromoney Capital Markets Guide** - the renowned Red Book containing data on all international financings.

## DIRECTORS' REPORT

The directors submit their annual report and accounts for the year ended 30th September 1992.

**THE COMPANY**

The company was incorporated in England as a private company on 22nd May 1969. The company re-registered as a public limited company on 16th May 1986. On 25th June 1986 the ordinary share capital of the company was admitted to the Luxembourg Stock Exchange. On 22nd January 1990 the ordinary share capital of the company was admitted to the International Stock Exchange in London.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the group is the collection and distribution of international news, information and analysis. This is effected through magazines, surveys, books and directories, databases, videos, conferences, seminars and training courses. A review of operations and business developments is given in the chairman's statement that begins on page 5.

**GROUP RESULTS AND DIVIDENDS**

The profit of the group available to shareholders amounted to £9,071,000. It is recommended that this amount be dealt with as follows:-

Dividends - interim paid	£000's
- final proposed	1,640
Retained profit	4,408
	3,023
	<hr/>
	9,071

The directors recommend a final dividend of 21.5p per ordinary share. An interim dividend of 8p per share was declared on 5th May 1992 and paid on 5th June 1992.

**FIXED ASSETS**

Changes in tangible fixed assets during the year are summarised in note 10 to the accounts.

**DIRECTORS**

The names of the directors are listed on page 4. Sir Michael Sandberg retires as a director on 14th January 1993 at the annual general meeting.

Under the articles of association, The Viscount Rothermere, Mr CJF Sinclair, Mr JC Bolts and Mr T Hosomi retire and, being eligible, offer themselves for re-election. None of these directors has a service contract with the company.

**NON EXECUTIVE DIRECTORS**

The Viscount Rothermere is executive chairman of Daily Mail and General Trust plc.

Sir Patrick Sergeant is a founder of Euromoney Publications PLC and was chairman until 30th September 1992.

Mr CJF Sinclair and Mr JP Williams are executive directors of Daily Mail and General Trust plc.

Mr T Hosomi is chairman of NLI Research Institute and a former adviser to the Industrial Bank of Japan.

Sir Michael Sandberg is a former chairman of The Hong Kong & Shanghai Banking Corporation.

Mr JC Bolts is a chairman of Bolts & Company and formerly head of Citicorp's investment banking business in Europe.

## DIRECTORS' REPORT

## DIRECTORS' INTERESTS

The interests of the directors and their families in the ordinary shares of the company as at 30th September 1992 and 1st October 1991 were as follows:-

	Ordinary shares of 1p each	
	30th September 1992	1st October 1991
Sir Patrick Sergeant	136,000	286,000
PM Fallon	95,142	95,142
PR Ensor	1,500	—
CJF Sinclair	—	300
NF Osborn	1,000	1,000
Sir Michael Sandberg	1,000	1,000
PW Hewitt	1,500	1,500
JP Williams	250	250

In addition to the beneficial interests noted above, the directors hold options to subscribe for ordinary shares of 1p each in the company as follows:-

No. of options granted  
on 31st December 1985  
at £1.71

	30th September 1992	1st October 1991
PM Fallon	176,190	352,380
PR Ensor	88,095	176,190
NF Osborn	8,809	17,619
CR Brown	5,619	17,619
DC Cohen	—	11,628
GB Strahan	8,810	17,619

No. of options granted  
on 12th January 1987  
at £3.50

	30th September 1992	1st October 1991
NJ Bance	—	17,619

No. of options granted  
on 21st February 1989  
at £3.10

	30th September 1992	1st October 1991
NJ Bance	—	1,082

No. of options granted  
on 14th June 1990  
at £3.51

	30th September 1992	1st October 1991
NJ Bance	1,471	1,471
NF Osborn	2,696	2,696
CR Brown	2,696	2,696
DC Cohen	8,704	8,704
PW Hewitt	22,645	22,645
GB Strahan	2,696	2,696

No. of options granted  
on 20th January 1992  
at £5.98

	30th September 1992	1st October 1991
PM Fallon	88,095	—
PR Ensor	44,048	—
DC Cohen	2,907	—
NF Osborn	4,405	—
CR Brown	4,405	—
NJ Bance	4,405	—
GB Strahan	4,405	—

As at 30th September 1992, The Viscount Rothermere was beneficially interested in 1,043,517 (1991 - 803,949) ordinary distributing shares and non beneficially in 930,025 (1991 - 930,025) ordinary accumulation shares in Rothermere Investments Limited ('RIL'). He has the right to exchange all but 5,800 (1991 - 5,800) of the ordinary shares in Daily Mail and General Trust plc in which he is interested for ordinary shares of an equivalent value in RIL.

The interests of directors as defined under Section 198 of the Companies Act 1985 in the shares of Daily Mail and General Trust plc were as follows:-

	Ordinary shares of 50p each		'A' ordinary non-voting shares of 50p each	
	30th September 1992	1st October 1991	30th September 1992	1st October 1991
Sir Patrick Sergeant	1,000	1,000	-	-
PM Fallon	1,000	1,000	-	-
The Viscount Rothermere	2,332,344	2,319,527	(i) 238,836	242,706
CJF Sinclair	-	-	900	900
JP Williams	-	-	99	99

- (a) In addition The Viscount Rothermere had an interest as a trustee at 30th September 1992 in 165,500 ordinary shares and (ii) 184,981 'A' ordinary non-voting shares (1991 170,041 ordinary shares and 178,834 'A' ordinary non-voting shares).
- (b) The company has been notified that, under Section 198 and 204 of the Companies Act 1985 and including the interests shown in the table above, The Viscount Rothermere is deemed to have been interested in 2,649,564 (1991 2,641,288) ordinary shares as at 30th September 1992.
- (c) Mr CJF Sinclair and Mr JP Williams have options over 20,035 and 8,585 'A' ordinary shares respectively at 30th September 1992 (1991 - 16,035 and 5,085 shares respectively).

At 30th September 1992 The Viscount Rothermere has a beneficial interest in options over 68 shares in Associated Newspapers North America Inc. (1991 68 shares).

There were no changes in the above interests between 30th September 1992 and 23rd November 1992, except at (i) and (ii) above where the interests have decreased to 228,836 and 172,981 respectively.

Mr Bance increased his interest in The Petroleum Economist Limited to 49% from 25% in September 1992. Euromoney Publications PLC owns all the remaining shares in The Petroleum Economist Limited.

#### SIGNIFICANT HOLDINGS

The following were the registered holders of 3% or more of the company's ordinary share capital on 30th September 1992:

	No. of shares	Percentage
Associated Newspapers Holdings Limited	15,341,906	74.82
Lloyds Investment Managers Limited	1,191,000	5.81
Banque Internationale à Luxembourg SA	(i) 55,290	3.68
Prudential Portfolio Managers Limited	(ii) 722,592	3.52

Banque Internationale à Luxembourg SA has issued international depositary receipts in bearer form in respect of shares registered in its name.

The above shareholdings were unchanged at 23rd November 1992 except at (i) and (ii) where the interests have changed to 745,520 and 726,192 respectively.

#### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The company has insurance to cover directors' and officers' liability as referred to in Section 310(3)(a) of the Companies Act 1985.

#### AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the annual general meeting.

#### ANNUAL GENERAL MEETING - SPECIAL BUSINESS

Resolution 8 of the notice of the annual general meeting on page 2 constitutes special business.

- (a) A special resolution of shareholders must be obtained to empower the board to issue equity securities of the company for cash otherwise than pro rata to ordinary shareholders. The power conferred in resolution 8(i) will continue until the authority granted in resolution 7 expires, unless it is renewed (in which event this resolution 8(i) must also be renewed by special resolution). This resolution 8(i) will permit the directors to make issues of equity securities for cash either by rights offer to ordinary shareholders or, up to a maximum of £10,252 (5 per cent of the issued ordinary share capital) in any other way. This proposal is consistent with the guidelines in October 1987 by the Investment Committees of the Association of British Insurers and the National Association of Pension Funds. The guidelines also indicate that issues of equity securities for cash (other than by way of rights) should not, in any rolling three year period, exceed 7.5 per cent of the issued share capital.
- (b) Traditionally, share certificates have been key documents of title for shareholders. However, the transfer of shares is a slow and costly process which the London Stock Exchange is seeking to improve with the introduction of the new electronic system called Taurus that will replace share certificates and transfer forms.

Taurus will not begin to operate before the spring of 1993. The London Stock Exchange expects to complete the process for all companies by the end of 1994.

Your directors believe that it is in the interests of shareholders to put the company in a position to obtain the benefits of the system by enabling the directors to convert the company's shares to uncertificated form as early as possible. Resolution 8(ii) set out in the notice of annual general meeting will therefore be proposed to enable the directors to convert the company's shares to uncertificated form. The directors do not intend to exercise their power to convert until the Taurus system has been fully tested and would be in the best interest of shareholders generally.

An explanation of the main features of the Taurus system is given in the enclosed copy of the London Stock Exchange publication; *Important Information for all Shareholders*.

Subject to the resolution being passed, the directors will, if and when they decide to convert the company's shares to uncertificated form, make plans for conversion with the assistance of the company's registrars and the London Stock Exchange, and when the target date for conversion has been agreed, shareholders will be notified. At such time, you will see the company's name in statutory press advertisements that are to be issued by the London Stock Exchange on behalf of companies intending to convert. Shortly before conversion you will receive a statement of your shareholding and advice as to what you should do should you wish to transfer any of your shares or amend your registration details. You will receive a further notification when conversion has occurred. It is emphasised that this will not happen until your directors are fully satisfied with the arrangements and in the meantime you should continue to retain your share certificates carefully.

- (c) The directors propose a number of changes to the Articles of Association. This is to bring the articles up to date with current practice and the requirements of the London Stock Exchange and legislation affecting public limited companies including the Companies Act 1989. A summary of the principal changes are set out in the circular accompanying this report.

By order of the board  
M O'Sullivan  
Secretary



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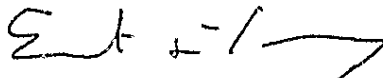
## AUDITORS' REPORT

Report of the auditors to the members of Euromoney Publications PLC.

We have audited the accounts on pages 15 to 35 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group at 30th September 1992 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young  
Chartered Accountants  
Registered Auditor  
London  
17th December 1992



## ACCOUNTING POLICIES

The following is a summary of the principal accounting policies adopted by the group. They have remained unchanged in all significant respects from the previous year and are in accordance with applicable Accounting Standards.

## BASIS OF PREPARATION

The accounts have been prepared under the historical cost convention. The consolidated accounts incorporate the accounts of the company and of its subsidiary undertakings, after eliminating the effects of intra-group transactions. Accounts have been prepared to 30th September.

Where the group owns a non-controlling interest, held for the long term, in the equity share capital of another company (or the equity of a partnership) and is in a position to exercise significant influence over that company or partnership the interest is equity accounted and the company or partnership treated as an associated undertaking.

Interests in the equity share capital of another company, or the equity of a partnership, that are not equity accounted are held as investments and stated in the balance sheet at cost.

The results of subsidiary and associated undertakings acquired during the year are incorporated from the effective date of acquisition. The net assets of subsidiary and associated undertakings acquired are accounted for on a fair value basis and any resulting goodwill is written off against reserves in the year of acquisition in the group accounts. The same accounting policy is applied in the company's accounts to purchased goodwill.

## TURNOVER

Turnover is the total amount receivable by the group excluding value added tax. It represents income from subscriptions, advertising, sponsored surveys, publications, conferences, seminars, training courses, databases, videos and other services.

Advertising sales are stated net of agency commission.

## LEASED ASSETS

Where assets are financed by leasing agreements which give rights approximating to ownership, the assets are treated as if they had been purchased. The amount capitalised is the cash value as at the date of commencement of the lease. The corresponding leasing commitment is included in obligations under finance leases. Rentals payable are apportioned between interest, which is charged to the profit and loss account and capital, which reduces the outstanding commitment.

Rentals payable relating to all other leases are charged to the profit and loss account.

## DEPRECIATION

Depreciation of tangible fixed assets is provided on the straight line basis over their expected useful lives at the following rates a year:

Office and computer equipment	25%
Fixtures and fittings	25%
Motor vehicles	20%

Premiums paid on the acquisition of property leases are amortised, on a straight line basis, over the periods in which the lease provides a financial benefit.



## ACCOUNTING POLICIES

### FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the period end. Revenue items are translated at average rates for the period. Where the company has hedged cash flows arising from such items the hedge rate is used for translation rather than the average or period end rate.

All exchange differences on transactions during the year are dealt with in the profit and loss account. Exchange differences arising upon the retranslation of the net assets of overseas subsidiary undertakings at the year end exchange rate are shown as a movement on reserves.

### DEFERRED TAXATION

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits stated in the accounts. Deferred taxation is accounted for to the extent that it is probable that such taxation will become payable in the foreseeable future.

### PENSIONS

Contributions to pension schemes in respect of current and past service, ex-gratia pensions, and cost of living adjustments to existing pensions are based on the advice of actuaries.

Contributions are charged to the profit and loss account when amounts become payable on the accrual basis. For the defined benefit scheme there is no material difference at present between this basis and using a basis that spreads the expected cost of providing pensions over the employees' working lives with the group.

# CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 1992

Note	1992 £000's	1991 £000's
1 Turnover		
Continuing operations	43,951	35,678
Acquisitions during the year	552	-
	<hr/> 44,503	<hr/> 35,678
Discontinued operations	364	-
	<hr/> 44,867	<hr/> 35,678
2 Operating profit		
Continuing operations	11,481	7,884
Acquisitions during the year	58	-
	<hr/> 11,539	<hr/> 7,884
Discontinued operations	32	-
	<hr/> 11,571	<hr/> 7,884
5 Share of profits of associated undertakings	237	65
Interest receivable (net)	2,019	2,319
	<hr/> 13,827	<hr/> 10,268
6 Profit on ordinary activities before taxation	4,190	3,359
	<hr/> 9,637	<hr/> 6,909
Profit on ordinary activities after taxation	566	175
Minority interests		
	<hr/> 9,071	<hr/> 6,734
8 Available for shareholders	6,048	4,533
Dividends		
	<hr/> 3,023	<hr/> 2,201
Profits retained		
9 Earnings per share	44.41p	33.43p
Dividend per share (net)	29.50p	22.50p

A statement of the movement on reserves is given in note 19.

The accounting policies and notes on pages 15, 16 and 21 to 35 form part of these accounts.

## CONSOLIDATED BALANCE SHEET

Note	AT 30TH SEPTEMBER 1992	1992		1991	
		£000's	£000's	£000's	£000's
	Fixed assets				
10	Tangible assets		2,311		2,717
11	Investments in associated undertakings		722		99
			<u>3,033</u>		<u>2,816</u>
	Current assets				
14	Debtors	12,840		10,150	
15	Investments	20,801		15,298	
	Cash	1,317		3,768	
		<u>34,958</u>		<u>29,216</u>	
16	Creditors: amounts falling due within one year	23,832		18,729	
	Net current assets		<u>11,126</u>		<u>10,487</u>
	Total assets less current liabilities		14,159		13,303
	Provisions for liabilities and charges:				
17	Deferred taxation		33		224
	Total assets less liabilities		<u>14,126</u>		<u>13,079</u>
	Capital and reserves				
18	Called up share capital		205		201
19	Share premium		753		65
19	Other reserves		12,485		12,570
	Minority interests		683		243
			<u>14,126</u>		<u>13,079</u>

The accounts were approved by the board of directors on 17th December 1992

PM Fallon  
PR Ensor  
Directors

The accounting policies and notes on pages 15, 16 and 21 to 35 form part of these accounts.

*PM Fallon*  
*PR Ensor*

COMPANY BALANCE SHEET

Note	AT 30TH SEPTEMBER 1992	1992 £000's	1991 £000's
	Fixed assets		
10	Tangible assets	2,189	2,567
12	Investments in group undertakings	6,444	3,047
		<u>8,633</u>	<u>5,614</u>
	Current assets		
14	Debtors	11,256	9,493
15	Investments	20,044	15,096
	Cash	774	2,839
		<u>32,074</u>	<u>27,428</u>
16	Creditors: amounts falling due within one year	21,140	17,059
	Net current assets	<u>10,934</u>	<u>10,369</u>
	Total assets less current liabilities	19,567	15,983
	Provisions for liab. and charges:		
17	Deferred taxation	34	224
	Total assets less liabilities	<u>19,533</u>	<u>15,759</u>
	Capital and reserves		
18	Called up share capital	205	201
19	Share premium	753	65
19	Other reserves	18,575	15,493
		<u>19,533</u>	<u>15,759</u>

The accounts were approved by the board of directors on 17th December 1992

PM Fallon  
PR Ensor  
Directors

The accounting policies and notes on pages 15, 16 and 21 to 35 form part of these accounts.

*PM Fallon*  
*PR Ensor*

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH SEPTEMBER 1992

Note	1992		1991	
	£000's	£000's	£000's	£000's
	Operating activities			
	Cash received from customers	43,755	35,947	
	Cash payments to suppliers	(19,965)	(16,927)	
	Cash paid to and on behalf of employees	(11,813)	(8,770)	
	Other cash receipts (payments)	23	(301)	
21	Net cash inflow	12,000	9,949	
	Returns on Investments and servicing of finance			
	Interest received	(1,774)	(1,773)	
	Interest paid	100	29	
	Dividends paid	4,863	3,727	
	Dividends paid to minorities	118	-	
	Net cash outflow	3,307	1,983	
	UK corporation tax paid	2,991	3,085	
	Overseas tax paid	115	27	
	Total tax paid	3,106	3,112	
	Investing activities			
	Purchase of tangible fixed assets	322	616	
	Purchase of businesses	112	1,220	
	Purchase of subsidiary undertakings	887	879	
	Purchase of associated undertakings	2,595	-	
	Sale of part of subsidiary	(142)	-	
	Loan to associated undertakings	136	-	
	Repayment of loan by associated undertaking	-	(121)	
	Sale of tangible fixed assets	(188)	(227)	
	Net cash outflow	3,722	2,367	
	Net cash outflow from treasury investment activities	4,699	4,101	
	Net cash outflow before financing	(2,834)	(1,614)	
	Financing			
	Issue of ordinary share capital	692	6	
	Issue/redemption of unsecured loan stock	495	372	
	Net cash (inflow) outflow	(1,187)	366	
23	Decrease in cash and cash equivalents	(1,647)	(1,980)	
		(2,834)	(1,614)	

The accounting policies and notes on pages 15, 16 and 21 to 35 form part of these accounts.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Note	1992 £000's	1991 £000's
Profit for the financial year	9,071	6,734
19 Currency translation difference on foreign currency net investments	(35)	1
Total recognised gains and losses relating to the year	<u>9,036</u>	<u>6,735</u>

NOTES TO THE ACCOUNTS

1. TURNOVER

Turnover is analysed as follows:	1992 £000's	1991 £000's
By destination:		
United Kingdom	10,285	9,052
North America	11,770	7,951
Europe	12,020	11,324
Rest of World	10,792	7,351
	<u>44,867</u>	<u>35,678</u>
	1992 £000's	1991 £000's
By source:		
United Kingdom	35,918	31,576
North America	6,090	3,012
Rest of World	2,859	1,090
	<u>44,867</u>	<u>35,678</u>

	UK		North America		RoW	
	1992 £000's	1991 £000's	1992 £000's	1991 £000's	1992 £000's	1991 £000's
By activity:						
International financial publishing	17,571	16,725	2,655	1,161	2,727	972
Law and tax publishing	3,579	2,523	-	-	-	-
Aviation, shipping and leasing publishing	4,169	3,119	210	-	-	-
Energy publishing	2,005	1,357	-	-	-	-
Event business	6,976	6,302	3,207	1,851	132	118
Databases and information services	1,618	1,550	18	-	-	-
	<u>35,918</u>	<u>31,576</u>	<u>6,090</u>	<u>3,012</u>	<u>2,859</u>	<u>1,090</u>

# NOTES TO THE ACCOUNTS

## 2 OPERATING PROFIT

	UK		North America		RoW	
	1992	1991	1992	1991	1992	1991
	£000's	£000's	£000's	£000's	£000's	£000's
By activity:						
International financial publishing	6,618	5,568	982	296	1,186	184
Law and tax publishing	1,278	899	-	-	-	-
Aviation, shipping and leasing publishing	1,051	926	20	-	-	-
Energy publishing	745	505	-	-	-	-
Event business	1,509	1,050	347	207	11	37
Databases and information services	1,094	983	(167)	(92)	-	-
	12,295	9,931	1,182	411	1,197	221
Corporate costs not identified between products	(3,103)	(2,679)	-	-	-	-
Total operating profit	9,192	7,252	1,182	411	1,197	221
		1992		1992		1991
		£000's		£000's		£000's
Turnover		44,503	continuing	364	discontinued	35,678
External charges		18,090		262		15,465
		26,413		102		20,213
Staff costs						
Wages and salaries		9,847		63		8,040
Social security costs		866		6		762
Pension contributions		500		-		386
		11,213		69		9,188
Other costs						
Depreciation		557		1		464
Auditors' remuneration		46		-		39
Operating lease rentals						
- land and buildings		465		-		467
- plant and machinery		22		-		22
Other operating charges		2,571		-		2,149
Operating profit		11,539		32		7,884

The total figure for continuing operations in 1992 include the following amounts relating to acquisitions: external charges £441,000, wages and salaries £43,000, social security costs £4,000, depreciation £4,000 and auditors remuneration £2,000.

Other operating charges include £55,000 (1991 £61,000) for services provided by subsidiaries of the company's ultimate holding company. Trade creditors do not include any amounts outstanding (1991 £8,000) at 30th September 1992 in respect of these charges. All such services were provided on an arm's length basis.

Auditors fees for services other than audit were £20,000.

# NOTES TO THE ACCOUNTS

## 3 NET ASSETS

Net assets are analysed by activity as follows:

	UK		North America		RoW	
	1992	1991	1992	1991	1992	1991
	£000's	£000's	£000's	£000's	£000's	£000's
International financial publishing	659	802	313	100	(49)	22
Law and tax publishing	332	236	-	-	-	-
Aviation, shipping and leasing publishing	397	95	-	-	-	-
Energy publishing	(463)	(109)	-	-	-	-
Event business	(92)	(106)	(94)	(196)	106	38
Databases and information services	(102)	82	9	-	-	-
Net operating assets	731	1,000	228	(96)	57	60
Investment in associated undertakings	500	-	-	-	222	99
Net non-operating assets	12,388	12,016	-	-	-	-
Net assets	13,619	13,016	228	(96)	279	159

## 4 EMPLOYEES

The average number of employees of the group during the year was 245 (1991: 199), analysed as follows:

	1992	1991
United Kingdom	190	167
Overseas	55	32
	245	199

## 5 NET INTEREST RECEIVABLE

	1992	1991
	£000's	£000's
Interest receivable from short-term investments	2,096	2,337
Interest payable on unsecured loan stock	(77)	(18)
	2,019	2,319

The terms for repayment of the unsecured loan stock are shown in note 16.



## NOTES TO THE ACCOUNTS

### 6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is based on the profit for the year and is made up as follows:

	1992 £000's	1991 £000's
Corporation tax at 33% (1991 - 33.5%)	4,092	3,187
Overseas tax	435	85
Deferred taxation (Note 17)	(330)	172
	<u>4,189</u>	<u>3,444</u>
Adjustments to prior year's taxation:		
Corporation tax	-	(70)
Deferred taxation	1	(15)
	<u>4,190</u>	<u>3,359</u>

No provision has been made for any UK tax that would arise if distributions are made out of the retained profits of overseas subsidiary and associated undertakings. The company is within the close company provisions of the Income and Corporation Taxes Act 1988.

### 7 PROFIT FOR THE FINANCIAL YEAR

Euromoney Publications PLC has taken advantage of Section 230 of the Companies Act 1985 and has not included its own profit and loss account in these accounts.

The profit after taxation of Euromoney Publications PLC included in the group profit for the year of £9,071,000 (1991 - £6,734,000) is £8,110,000 (1991 - £5,968,000).

### 8 DIVIDENDS

	1992 £000's	1991 £000's
Interim paid - 8.0p per share (1991 6.5p)	1,640	1,309
Final proposed - 21.5p per share (1991 16.0p)	4,408	3,224
Total - 29.5p per share (1991 22.5p)	<u>6,048</u>	<u>4,533</u>

### 9 EARNINGS PER SHARE

The basic earnings per share is calculated on profits on ordinary activities after taxation of £9,071,000 (1991 - £6,734,000) and on a weighted average number of 20,425,515 ordinary shares in issue during 1992 (1991 - 20,142,996).

The fully diluted earnings per share has not been shown as the dilution is not material.

# NOTES TO THE ACCOUNTS

## 10 TANGIBLE FIXED ASSETS

	Motor vehicles £000's	Office and computer equipment £000's	Fixtures and fittings £000's	Short-term leasehold premises £000's	Total £000's
<b>The group</b>					
Cost					
At 1st October 1991	810	1,093	470	1,522	3,895
Exchange adjustment	-	7	(2)	-	5
Obtained on acquisition	7	5	-	-	12
Additions	150	165	7	-	322
Disposals	(311)	(59)	(4)	-	(374)
<b>At 30th September 1992</b>	<b>656</b>	<b>1,211</b>	<b>471</b>	<b>1,522</b>	<b>3,860</b>
Depreciation					
At 1st October 1991	198	692	180	108	1,178
Exchange adjustment	-	4	(1)	-	3
Charges for year	156	217	125	59	557
On disposals	(138)	(47)	(4)	-	(189)
<b>At 30th September 1992</b>	<b>216</b>	<b>866</b>	<b>300</b>	<b>167</b>	<b>1,549</b>
<b>Net book value - 30th September 1992</b>	<b>440</b>	<b>345</b>	<b>171</b>	<b>1,355</b>	<b>2,311</b>
<b>Net book value - 30th September 1991</b>	<b>612</b>	<b>401</b>	<b>290</b>	<b>1,414</b>	<b>2,717</b>
<b>The company</b>					
Cost					
At 1st October 1991	693	912	470	1,522	3,597
Additions	117	107	7	-	231
Disposals	(280)	(53)	(4)	-	(337)
Transfers to group undertakings	(10)	(25)	(21)	-	(56)
Transfers from group undertakings	83	36	-	-	119
<b>At 30th September 1992</b>	<b>603</b>	<b>977</b>	<b>452</b>	<b>1,522</b>	<b>3,554</b>
Depreciation					
At 1st October 1991	174	567	181	108	1,030
Charges for year	144	176	120	59	499
On disposals	(127)	(41)	(4)	-	(172)
Transfers to group undertakings	(3)	(9)	(9)	-	(21)
Transfers from group undertakings	15	14	-	-	29
<b>At 30th September 1992</b>	<b>203</b>	<b>707</b>	<b>288</b>	<b>167</b>	<b>1,365</b>
<b>Net book value - 30th September 1992</b>	<b>400</b>	<b>270</b>	<b>164</b>	<b>1,355</b>	<b>2,189</b>
<b>Net book value - 30th September 1991</b>	<b>519</b>	<b>345</b>	<b>289</b>	<b>1,414</b>	<b>2,567</b>

## NOTES TO THE ACCOUNTS

### 11 INVESTMENTS IN ASSOCIATED UNDERTAKINGS

	Cost of shares £000's	Loans £000's	Share of post acquisition reserves £000's	Goodwill £000's	Total £000's
At 1st October 1991	607	-	77	(585)	99
Exchange adjustment	(26)	-	-	-	(26)
Additions	2,629	136	193	(2,309)	649
At 30th September 1992	3,210	136	270	(2,894)	722

The details of associated undertakings at 30th September 1992 are as follows:-

	Proportion held	Principal activity	Country of incorporation and operation
AIC Jersey Limited	45%*	Seminars	Jersey
AIC Holdings Jersey Limited	45%*	Seminars	Jersey
AIC Conferences Pty Limited	45%*	Seminars	Australia
World Link Publications Limited	18%	Publishing	England
Conference & Travel Publications Limited	25%	Publishing	England
Mundy Perry Limited	45%	Publishing	England
Century House Information Limited	25%	Publishing	England
ReActions Publishing Group Limited	40%	Publishing	England
	100%*		

\* held by a subsidiary undertaking      \* preference shares  
All holdings are of ordinary shares except where noted.

### 12 INVESTMENTS IN GROUP UNDERTAKINGS

	£000's
At 1st October 1991	3,047
Acquisitions at cost	3,540
Disposals at cost	(143)
At 30th September 1992	6,444

Details of acquisitions during the year are shown in Note 13.

The details of the principal subsidiary undertakings at 30th September 1992 are as follows:

	Proportion held	Principal activity	Country of incorporation and operation
Direct subsidiaries:			
Euromoney Inc	100%	US sales agent for the company	USA
Euromoney Publications (Jersey) Limited	100%	Publishing	Jersey
Euromoney Publications (Overseas) Limited	100%	Overseas agent for the company	England
Euromoney Publications Pty Limited	100%	Holding company	Australia
The Petroleum Economist Limited	51%	Publishing	England
Contract Communications Limited	95%	Publishing	England
Glenprint Limited	70%	Publishing	England
Indirect subsidiaries:			
Euromoney Utah Corporation	100%	Holding company	USA
Latin American Financial Publications Inc	51%	Financial publishers	USA
PREP Institute of America Inc	80%	Lease training	USA

Euromoney Publications (Jersey) Limited's principal country of operation is Hong Kong.  
All holdings are of ordinary shares.

### 13 ACQUISITIONS AND DISPOSALS

The group made the following acquisitions during the year.

(i) The company purchased 100% of the issued ordinary share capital in Contract Communications Limited ("Contract Communications") in two stages. It purchased 20% in November 1991 and increased its stake to 100% in March 1992 for a total cost of £622,000. In April 1992 Mr R Jell purchased 5% in Contract Communications from the company at the same price per share as the overall price paid by the company. Mr Jell has an option exercisable when Contract Communications' pre-tax profits exceed £500,000 in a full year, to purchase a further 5% on the same terms as his initial shareholding.

(ii) In November 1991 the company invested £766,667 in cash for redeemable preference shares and preferred ordinary shares in a newly formed company, ReActions Publishing Group Limited ("ReActions"). ReActions purchased the magazine titles ReActions and ICB for £750,000 in cash from the Sterling Publishing Group PLC and the entire issued share capital of Corporate Cover Publications Limited ("Corporate Cover") from its management. These managers subscribed £100,000 in cash for A ordinary shares in ReActions.

The preferred ordinary, A ordinary and B ordinary shares will all convert to ordinary shares in ReActions based on the results of Corporate Cover for the two years ending 30 September 1995. Under the terms of the subscription agreement the preferred ordinary shares will convert into between 33% and 40% of the ordinary shares of ReActions. Directly after this conversion Euromoney will purchase sufficient further ordinary shares to increase its interest in ReActions to 70% of the issued share capital. The purchase price will be based on the profits of ReActions for the two years ending 30th September 1995 and will be satisfied in cash. The price/earnings multiple applied to the profits will be determined by the compound growth rate in pre-tax profits (compared to a base level of £155,000 for the year ended 30th September 1991) subject to a minimum of 6.5 and a maximum of 12.

(iii) The company purchased 20% of the equity in Worldlink Publications Limited ("Worldlink") in 1992 for a nominal amount. The company was formed in December 1991 to publish World Link, the magazine of the World Economic Forum. Beginning with the year to June 1993, the company will buy a further 10% in each of the following three years provided pre-tax profits exceed £400,000, £490,000 and £630,000 respectively at post tax price/earnings multiples of 10, 10 and 11 respectively. In July 1992 Mr L Knobel acquired 2% of the issued ordinary share capital from the company for a nominal amount and has an option to purchase three further 1% tranches on the same basis as the company purchases the three 10% tranches.

(iv) In November 1989 the company acquired options to purchase all the share capital of Century House Information Limited ("Century House"). The option to purchase the first 25% was exercised in December 1991 at a cost of £647,142. The total purchase price is determined by the pre-tax profits of Century House over the period from 1st October 1990 to 30th September 1994.

(v) On 5th March 1992 the company invested £200,000 in cash for convertible unsecured loan stock and 20% of the issued ordinary share capital in Conference and Travel Publications Limited ("CAT"). The loan stock will convert into a mixture of ordinary and deferred shares based on the results of the two years ending 30th September 1993. After this conversion the company will own between 20% and 75% of the issued share capital of CAT. Subsequent purchases will be made when the audited accounts for the years ending 30th September 1994, 1995 and 1996 are available. The same percentage of share capital will be purchased in each of these tranches. At the end of this period the company will have an 80% interest. The price/earnings multiple applied to the profits will be determined by the compound growth rate in pre-tax profits (compared to a base level which will be the average of pre-tax profits for the two years ending 30th September 1993) subject to a minimum of 3.5 and a maximum of 7.

(vi) On 31st March 1992 the company bought through Glenprint Limited, a 70% owned subsidiary of the company, the rights to publish the Gevers International Consultants Directory.

## NOTES TO THE ACCOUNTS

### 13 ACQUISITIONS AND DISPOSALS CONTINUED

The consideration will be paid in two instalments in 1993 and 1994 and be based on the value of those 1993 and 1994 entries which were published in the 1992 edition and which renew for the 1993 and 1994 editions.

(vii) The company acquired 80% of the issued share capital of PREP Institute of America, Inc ("PREP") in April 1991. PREP trades under the name Amembal, Halladay & Isom. The purchase price consisted of an initial payment of £35,000 in 1991 and four annual payments based upon the results for the period from 1st January 1991 to 31st December 1994. The first of these payments of £83,406 was made in 1992. Each of the annual payments is due when the audited results for the previous year are available. Each will be satisfied in cash and based on the results for the year and a post-tax price/earnings multiple of between 5 and 10, dependent on the compound growth rate of the pre-tax profits from 1990 to the year concerned.

No provision has been made for the remaining three annual payments. Each will be treated as goodwill and transferred to capital reserve when it has been determined.

(viii) Under the terms of the agreement entered into in June 1990 the company through one of its subsidiaries increased its holding in AIC Conferences Pty Limited ("AIC") from 30% to 45% of the ordinary share capital with effect from 30th June 1992.

Pty agreed, as part of the subscription agreement referred to above, to purchase further ordinary shares in AIC to bring the following percentages:  
30th June 1993 60%    30th June 1994 75%

The purchase price depends upon profits in the period from 1st July 1992 to 30th June 1994. The post-tax price/earnings multiple applied to the profits is determined by the compound growth rate in pre-tax profits (compared to a base level of A\$400,000 for the year ended 30th June 1989) subject to a minimum of 5 and a maximum of 12.

(ix) The company acquired the titles and goodwill of Charter International in October 1991 for a cash sum of £103,000. In August 1992 the company purchased 45% of the issued share capital of Mundy Perry Limited in exchange for £150,000 in cash (£100,000 as consideration for the acquisition of shares and £50,000 for the subscription of new shares) and the business and goodwill of the non US operations of Charter International.

In accordance with the agreement the company will purchase a further 35% of the share capital of Mundy Perry Limited at 30th September 1997. The value of the purchase will be determined by the average post-tax profits for the three years ending 30th September 1997 and a p/e multiple that depends on the rate of growth of profits. The price/earnings multiple will be between 5 and 12.

(x) Mr N Bance, an executive director of the company, increased his interest in The Petroleum Economist Limited from 25% to 49% in September 1992. This was achieved by a rights issue of ordinary shares and the redemption of all the Petroleum Economist's redeemable shares. The combined effect of the rights issue and redemption was for the company to receive £140,000 in cash and the reduction of its interest in The Petroleum Economist Limited to 51%.

In October 1992 Euromoney Publications (Jersey) Limited acquired 50% of the issued ordinary share capital of Asia Law and Practice Limited ("Asia Law and Practice") for a consideration of HK\$11 million (£817,000) in cash.

Euromoney will increase its stake in Asia Law and Practice to 85% of the issued ordinary share capital. The consideration will be based on the profits for the period to 30th June 1995.

The group is committed to make further payments for several of the acquisitions outlined above. The directors estimate that, based upon the results expected from the activities concerned, the total future payments will be about £6,060,000.

# NOTES TO THE ACCOUNTS

## 14 DEBTORS

	Group		Company	
	1992	1991	1992	1991
	£000's	£000's	£000's	£000's
Amounts falling due within one year:				
Trade debtors	9,665	7,931	7,732	6,806
Amounts owing from group undertakings	-	-	644	932
Prepayments and accrued income	2,546	2,206	2,261	1,755
Other debtors	629	13	619	-
	<u>12,840</u>	<u>10,150</u>	<u>11,256</u>	<u>9,493</u>

## 15 INVESTMENTS

	Group		Company	
	1992	1991	1992	1991
	£000's	£000's	£000's	£000's
Bank time deposits	1,555	751	798	549
Certificates of deposit	9,130	13,683	9,130	13,683
Government securities	10,116	-	10,116	-
Term notes	-	864	-	864
	<u>20,801</u>	<u>15,298</u>	<u>20,044</u>	<u>15,096</u>

The time deposits were for periods of three months or less. All certificates of deposits were for periods of less than 13 months. The market value of investments at the year end was equal to their book value and no significant capital taxation would have been payable had they been realised at that time.

The company has purchased various short sterling futures contracts. The effect of these contracts is to fix the interest rate received on £15 million of the company's funds for the year ending 30th September 1993 at 9.58%.

The company has also purchased various US dollar forward exchange contracts. The effect of these contracts is to fix the exchange rate on US dollar cash flows for the year ending 30th September 1993 at an average rate of £1 = \$1.67.

## 16 CREDITORS

	Group		Company	
	1992	1991	1992	1991
	£000's	£000's	£000's	£000's
Due within one year:				
Payments received on account	413	685	413	685
Trade creditors	1,992	1,243	730	945
Amounts owing to group undertakings	-	-	1,170	182
Other creditors	907	127	794	105
Corporation tax	4,366	3,173	3,712	2,767
Accruals	6,249	5,716	5,266	5,215
Deferred income	4,878	4,438	4,028	3,813
Dividend	4,408	3,223	4,408	3,223
Redeemable unsecured loan stock	619	124	619	124
	<u>23,832</u>	<u>18,729</u>	<u>21,140</u>	<u>17,059</u>

The redeemable unsecured loan stock was issued at par. It can be redeemed at par, at the holders' option, at various dates between November 1992 and November 1999. The interest rate on the stock is variable and is set, at yearly intervals, at one per cent below the twelve month London interbank offer rate.

## NOTES TO THE ACCOUNTS

### 17 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation for the group and the company, which has been provided in full, comprised:

	Group		Company	
	1992	1991	1992	1991
	£000's	£000's	£000's	£000's
Accelerated capital allowances	(34)	15	(32)	15
Other timing differences	170	458	169	458
	<u>136</u>	<u>473</u>	<u>137</u>	<u>473</u>
Advance corporation tax payable in respect of dividends proposed	(103)	(249)	(103)	(249)
	<u>33</u>	<u>224</u>	<u>34</u>	<u>224</u>

Movements on the provision for deferred taxation were as follows:

	Group £000's	Company £000's
At 1st October 1991	224	224
Transfer from profit and loss account	(337)	(336)
Advance corporation tax	<u>146</u>	<u>146</u>
At 30th September 1992	<u>33</u>	<u>34</u>

### 18 CALLED UP SHARE CAPITAL

	1992 £000's	1991 £000's
a) Authorised: 22,050,000 ordinary shares of 1p each	<u>221</u>	<u>221</u>
b) Allotted and fully paid: 20,504,975 (1991 - 20,145,038) ordinary shares of 1p each	<u>205</u>	<u>201</u>

359,937 ordinary shares of 1p each with an aggregate nominal value of £3,599 were issued during the year for a cash consideration of £691,128 following the exercise of share options granted under the company's share option scheme.

#### Share options

The following options are options to subscribe for ordinary shares of 1p each in the company were outstanding at 30th September 1992:

Number of ordinary shares under option	Option price £	Period during which option may be exercised
30th September 1992	1st October 1991	
291,951	597,483	1.71
		Between 31st December 1988 and 31st December 1995.
7,364	36,997	2.84
		Between 23rd May 1989 and 23rd May 1996.
-	21,025	3.5
		Between 12th January 1990 and 12th January 1997.
1,274	2,356	3.1
		Between 21st February 1992 and 21st February 1999.
93,471	101,788	3.51
		Between 14th June 1993 and 14th June 2000.

# NOTES TO THE ACCOUNTS

## 18 CALLED UP SHARE CAPITAL CONTINUED

Number of ordinary shares under option 30th September 1992	1st October 1991	Option price £	Period during which option may be exercised
59,000	-	5.13	Between 5th December 1994 and 5th December 2001

## 19 OTHER RESERVES

	Capital reserve		Profit & loss account	
	Group £000's	Company £000's	Group £000's	Company £000's
As at 1st October 1991	3,239	7,472	9,331	8,021
Exchange differences on retranslation of net assets and results of subsidiary undertakings	-	-	(6)	-
Retained profit for the year	-	-	3,023	3,165
Arising from disposal of part of subsidiary	-	-	(29)	-
Write off of amounts representing goodwill	(3,216)	(83)	-	-
Goodwill written back on disposals	143	-	-	-
<b>At 30th September 1992</b>	<b>166</b>	<b>7,389</b>	<b>12,319</b>	<b>11,186</b>

The cumulative amount of goodwill written off at 30th September 1992, net of goodwill relating to undertakings disposed of, is £10,347,000 (1991 - £7,274,000).

Analysis of changes in share premium during the year:

	Group and Company £000's
At 1st October 1991	65
Premium arising on exercise of share options	688
<b>At 30th September 1992</b>	<b>753</b>

## 20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	1992 £000's	1991 £000's
Profit for the financial year	9,071	6,734
Dividends	(6,048)	(4,533)
	<b>3,023</b>	<b>2,201</b>
Goodwill written off	(3,216)	(2,723)
Goodwill written back	143	-
Exercise of share options	692	6
Other recognised gains and losses relating to the year (net)	(35)	1
<b>Net addition to shareholders funds</b>	<b>607</b>	<b>(515)</b>
Opening shareholders funds	12,836	13,351
<b>Closing shareholders funds</b>	<b>13,443</b>	<b>12,836</b>



## NOTES TO THE ACCOUNTS

### 21 CASH FLOW RECONCILIATION

The reconciliation of operating profit to the net cash inflow from operating activities is:-

	1992 £000's	1991 £000's
Operating profit	11,571	7,884
Depreciation	557	464
Profit on sale of tangible fixed assets	(3)	(39)
Increase in debtors	(2,099)	(201)
Increase in creditors	1,974	1,841
<b>Net cash inflow</b>	<b>12,000</b>	<b>9,949</b>

Only those elements of debtors and creditors related to operating activities have been shown in the above table.

### 22 CASH AND CASH EQUIVALENTS

	1992 £000's	1991 £000's
At 1st October 1991	4,519	6,496
Net cash flow before adjustments for the effect of exchange rates	(1,647)	(1,980)
Effect of exchange rates	-	3
<b>At 30th September 1992</b>	<b>2,872</b>	<b>4,519</b>

Cash and cash equivalents comprise cash and short term investments. The analysis of investments shown in Note 15 includes certificates of deposits and government securities which had a maturity of more than three months when purchased. These instruments have not been treated as cash equivalents.

### 23 ANALYSIS OF CASH AND CASH EQUIVALENTS AS SHOWN ON THE BALANCE SHEET

Analysis of the balances of cash and cash equivalents as shown on the balance sheet:

	1992 £000's	1991 £000's	Change in year £000's
Cash at bank and in hand	1,317	3,768	(2,451)
Bank time deposits (Note 15)	1,555	751	804
<b>At 30th September 1992</b>	<b>2,872</b>	<b>4,519</b>	<b>(1,647)</b>

### 24 ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Share capital (including premium) £000's	Loan stock £000's
Financing as at 1st October 1991	266	124
Cash inflow from financing	692	495
<b>Financing at 30th September 1992</b>	<b>958</b>	<b>619</b>

## NOTES TO THE ACCOUNTS

### 26 DIRECTORS CONTINUED

The bulk of directors' emoluments are determined as a proportion of the profits of the group. The remaining performance related emoluments are determined as a proportion of the profits of particular parts of the group.

Performance related payments are determined as a proportion of the increase in profits of the relevant parts of the group since the director concerned took over responsibility for that part of the group.

The total emoluments excluding pension contributions can be analysed as follows:

	1992 £	1991 £
Based on group profits	1,926,975	1,377,949
Based on profits of parts of the group	540,227	275,900
Salaries and fees	725,031	639,425
	<u>3,192,233</u>	<u>2,293,274</u>

### 27 PENSION CONTRIBUTIONS

Employees of the group can belong to one of two pension schemes.

The Harmsworth Pension Scheme, which is administered by the holding company, Associated Newspapers Holdings Limited, is a contracted out fully funded final salary scheme. Pension costs for this scheme are assessed on the advice of an independent qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation of the fund was at 31st March 1992. The assumptions having the most significant effect on the results of that valuation are that the growth of dividend income would be 5.5% per annum, that salary increases would average 7.5% per annum and that present and future pensions would increase at the rate of 5% per annum. The actuarial value of the fund's assets represented 115% of the value of the benefits that had accrued to members, after allowing for benefit improvements granted to members following the valuation and expected future increases in salaries. It is intended that the funding contribution of the group, and of employees, will each remain at 5.5% of pensionable salaries until 31st March 1996.

The Euromoney Publications PLC 1987 Retirement Benefit Scheme is a contracted in money purchase scheme. The company contribution is 5.95% on basic salary up to the upper earnings limit plus 9.75% on any excess basic salary.

The pension charge for the year comprised:

	1992 £000's	1991 £000's
Harmsworth Pension Scheme	20	17
Euromoney Retirement Benefit Scheme	155	77
Other	325	288
	<u>500</u>	<u>382</u>

**28 CONTINGENT LIABILITIES**

Euromoney ESOP Trustees Limited has been set up solely to run the Euromoney Publications PLC Employees' Share Ownership Plan Trust. Euromoney ESOP Trustees Limited purchased 159,279 shares for £5.01 per share in December 1991. It granted options over 159,279 shares in January 1992 at £5.98, the then market price, to eligible executives. These options may be exercised between 19th January 1995 and 19th January 2002. A loan facility of up to £1m has been granted to Euromoney ESOP Trustees Limited by Lloyds Bank plc. The company has guaranteed this facility.

**29 ULTIMATE HOLDING COMPANY**

The directors regard the ultimate holding company as Rothermere Investments Limited, which is incorporated in Jersey.

The largest group of which the company is a member and for which group accounts are drawn up is that of Daily Mail and General Trust plc, registered in England and Wales. Copies of the report and accounts are available from:-

The Company Secretary,  
Daily Mail and General Trust plc,  
Northcliffe House,  
2 Derry Street,  
Kensington,  
London W8 5TT.

The smallest group of which the company is a member and for which group accounts are drawn up is that of Associated Newspapers Holdings Limited, registered in England and Wales. Copies of the report and accounts are available from:-

Companies House,  
Crown Way,  
Cardiff CF4 3UZ.

## FIVE YEAR RECORD

The consolidated profit and loss accounts and balance sheets for the five years ended 30th September 1992 are summarised below:

	1988 £000's	1989 £000's	1990 £000's	1991 £000's	1992 £000's
Turnover					
Continuing operations	28,367	26,959	33,633	35,678	43,951
Acquisitions in the year	-	-	-	-	552
Discontinued operations	-	-	-	-	364
<b>Total turnover</b>	<b>28,369</b>	<b>26,959</b>	<b>33,633</b>	<b>35,678</b>	<b>44,867</b>
Operating profit					
Continuing operations	5,286	5,296	6,396	7,884	11,481
Acquisitions in the year	-	-	-	-	58
Discontinued operations	-	-	-	-	32
	5,286	5,296	6,396	7,884	11,571
Share of profits in associated undertakings	-	-	12	65	237
Net interest receivable	1,369	2,157	2,411	2,319	2,019
<b>Profit before taxation</b>	<b>6,655</b>	<b>7,453</b>	<b>8,819</b>	<b>10,268</b>	<b>13,827</b>
Taxation	2,358	2,619	3,139	3,359	4,190
<b>Profit after taxation</b>	<b>4,297</b>	<b>4,834</b>	<b>5,680</b>	<b>6,909</b>	<b>9,637</b>
Minority interests	-	-	65	175	566
<b>Profit before extraordinary item</b>	<b>4,297</b>	<b>4,834</b>	<b>5,615</b>	<b>6,734</b>	<b>9,071</b>
Extraordinary item	-	-	128	-	-
<b>Available for shareholders</b>	<b>4,297</b>	<b>4,834</b>	<b>5,487</b>	<b>6,734</b>	<b>9,071</b>
Dividends	2,817	3,221	3,726	4,533	6,048
<b>Retained profit</b>	<b>1,480</b>	<b>1,613</b>	<b>1,761</b>	<b>2,201</b>	<b>3,023</b>
<b>Earnings per share</b>	<b>21.36p</b>	<b>24.02p</b>	<b>27.88p</b>	<b>33.43p</b>	<b>44.41p</b>
<b>Dividends per share (net)</b>	<b>14.0p</b>	<b>16.0p</b>	<b>18.5p</b>	<b>22.5p</b>	<b>29.5p</b>
Fixed assets	1,156	1,192	2,906	2,816	3,033
Net current assets	11,095	11,865	10,636	10,487	11,126
Deferred taxation and creditors due in more than one year	(14)	(153)	(123)	(224)	(33)
<b>Net assets</b>	<b>12,237</b>	<b>12,904</b>	<b>13,419</b>	<b>13,079</b>	<b>14,126</b>
Capital and reserves					
Called up share capital	201	201	201	201	205
Revenue reserves	3,800	5,390	7,129	9,331	12,319
Other reserves	8,236	7,313	6,021	3,304	919
	12,237	12,904	13,351	12,836	13,443
Minority interests	-	-	68	243	683
	12,237	12,904	13,419	13,079	14,126

Earnings per share have been calculated on the basis of the following number of ordinary shares for each year:

1988	20,119,048	1991	20,142,996
1989	20,120,052	1992	20,425,515
1990	20,136,452		