Grant Thornton

# Abbreviated accounts Oxford Analytica Limited

**For the year ended** 31 December 2008



**Company No.** 1196703

# Company information

| | |
|---|---|
| **Registered office** | 5 Alfred Street<br>OXFORD<br>OX1 4EH |
| **Directors** | D R Young<br>S K Young<br>D J Pitt-Watson<br>R H Briance<br>Mr A Rolington |
| **Secretary** | E A Backhouse |
| **Bankers** | Barclays Bank plc<br>11 West Way<br>OXFORD<br>OX2 0XP |
| **Solicitors** | Manches LLP<br>9400 Garsington Road<br>Oxford Business Park<br>OXFORD<br>OX4 2HN |
| **Auditor** | Grant Thornton UK LLP<br>Chartered Accountants<br>Registered Auditors<br>1 Westminster Way<br>OXFORD<br>OX2 0PZ |

# Index to the abbreviated accounts

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# Independent auditor's report to Oxford Analytica Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts which comprise the principal accounting policies, balance sheet and the related notes, together with the financial statements of Oxford Analytica Limited for the year ended 31 December 2008 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in a special 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, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
OXFORD
16 March 2009

# Principal accounting policies

### Basis of accounting

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

The company has made profits over the last 5 years, reducing the retained loss position to a current year balance of £202,759. The nature of the company's business is that there are significant deferred revenues which have a direct impact on the net current liabilities position of the company. Current liabilities of £2,179,954 include £1,373,321 deferred revenue related to Daily Brief subscriptions paid in advance by clients but which are non-refundable in any event other than the discontinuance of the company. Excluding deferred revenue related to Daily Brief subscriptions the company is in a net current asset position of £797,718 which facilitates the on-going ability of the company to comfortably meet its liabilities as they fall due.

The directors are aware of the financial position of the company and have carefully considered the prospects for the business over the next few years. The directors are satisfied that it is appropriate to prepare the accounts on a going concern basis and are confident of the future success of the business. The accompanying financial statements do not include any adjustments that might be necessary if the company is unable to continue as a going concern.

The principal accounting policies of the company have remained unchanged from the prior period.

### Cash flow statement

The directors have taken advantage of the exemption in FRS 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

### Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding value added tax.

### Subscription income

Revenue from subscription income is recognised on a straight line basis over the length of the subscription. Deferred income represents the element of subscriptions income relating to future accounting periods.

### Consultancy income

In the case of consultancy and research contracts, turnover reflects the contract activity during the year and represents the proportion of total contract value which costs incurred to date bear to total expected contract costs.

### Conference Income

Revenue from conferences represents income generated by the Oxford Analytica International Conference held annually at Oxford University.

### Depreciation

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

| | | |
|---|---|---|
| Freehold property | - | 2% |
| Fixtures and fittings | - | 20% |
| Motor vehicles | - | 20% |
| Computer equipment | - | 20% |

### Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

### Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

### Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### Barter transactions

The company has continued to enter into barter transactions during the period in which Daily Brief services and conference sponsorship are provided in return for sales and marketing related services (including advertising and membership fees).

Barter transactions are now recorded as revenue at an amount equal to the estimated fair value of the services received or of the publication provided, depending on which is more clearly evident. A corresponding amount is recorded as a cost of revenue when the services received are consumed. The lower of the estimated fair value of the services received or the estimated fair value of the subscription/sponsorship was £130,560 (2007: £190,242).

# Abbreviated balance sheet

| | Note | 2008 £ | 2007 £ |
|---|---|---|---|
| **Fixed assets** | 1 | | |
| Tangible assets | | 677,735 | 695,656 |
| **Current assets** | | | |
| Debtors | | 1,212,334 | 1,270,677 |
| Cash at bank and in hand | | 392,017 | 365,588 |
| | | 1,604,351 | 1,636,265 |
| **Creditors: amounts falling due within one year** | | 2,179,954 | 2,080,657 |
| **Net current liabilities** | | (575,603) | (444,392) |
| **Total assets less current liabilities** | | 102,132 | 251,264 |
| **Creditors: amounts falling due after more than one year** | | 304,791 | 477,076 |
| | | (202,659) | (225,812) |
| **Capital and reserves** | | | |
| Called-up equity share capital | 3 | 100 | 100 |
| Profit and loss account | | (202,759) | (225,912) |
| **Deficit** | | (202,659) | (225,812) |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors and authorised for issue on16 March 2009, and are signed on their behalf by:

David R Young

D R Young
Director

March 16th, 2009

# Notes to the abbreviated accounts

## 1 Fixed assets

| | Tangible Assets £ |
|---|---|
| Cost | |
| At 1 January 2008 | 1,072,550 |
| Additions | 66,396 |
| At 31 December 2008 | 1,138,946 |
| Depreciation | |
| At 1 January 2008 | 376,894 |
| Charge for year | 84,317 |
| At 31 December 2008 | 461,211 |
| Net book value | |
| At 31 December 2008 | 677,735 |
| At 31 December 2007 | 695,656 |

## 2 Related party transactions

At 31 December 2008 Oxford Analytica Inc, a group company, has guaranteed the bank borrowings of Oxford Analytica Limited up to a maximum of £320,000 (2007: £320,000).

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with group undertakings.

At 31 December 2008 and 31 December 2007 bank loans were secured against property of two directors, D R Young and S K Young, valued at £650,000 and life insurance policies of a director and an officer, D R Young and E A Backhouse respectively.

## 3 Share capital

Authorised share capital:

| | 2008 £ | 2007 £ |
|---|---|---|
| 100 Ordinary shares of £1 each | 100 | 100 |

Allotted, called up and fully paid:

| | 2008 No | 2008 £ | 2007 No | 2007 £ |
|---|---|---|---|---|
| Ordinary shares of £1 each | 100 | 100 | 100 | 100 |

## 4 Ultimate parent company

The directors consider that the ultimate parent undertaking of this company is The Oxford Analytica International Group Inc incorporated in the state of Delaware, USA.

Dr D R Young, a director of the company, is this company's controlling related party by virtue of his majority shareholding in The Oxford Analytica International Group Inc.

The largest group of undertakings for which group accounts have been drawn up is that headed by The Oxford Analytica International Group Inc, incorporated in the state of Delaware, USA.