

Financial Statements Oxford Analytica Limited

For the year ended 31 December 2011



Registered number: 1196703

Abbreviated Accounts



Independent Auditor's Report to Oxford Analytica Limited

Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts, which comprise the Balance sheet and the related notes, together with the financial statements of Oxford Analytica Limited for the year ended 31 December 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it 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 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 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 are properly prepared.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts which comprise the Balance sheet and the related notes have been properly prepared in accordance with the regulations made under that section.

Grant Thornton UK LLP

Tracey James (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Oxford

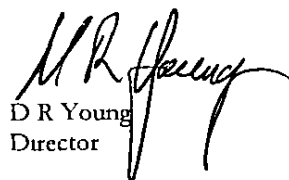
14 March 2012

Abbreviated Balance Sheet

As at 31 December 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	2		468,927		529,989
Current assets					
Debtors		1,637,778		1,629,442	
Cash at bank		597,083		246,986	
		<u>2,234,861</u>		<u>1,876,428</u>	
Creditors amounts falling due within one year		(654,131)		(639,107)	
Net current assets			<u>1,580,730</u>		<u>1,237,321</u>
Total assets less current liabilities			<u>2,049,657</u>		<u>1,767,310</u>
Creditors amounts falling due after more than one year	3		(167,172)		(199,026)
Accruals and deferred income			<u>(2,345,387)</u>		<u>(2,236,609)</u>
Net liabilities			<u>(462,902)</u>		<u>(668,325)</u>
Capital and reserves					
Called up share capital	4		100		100
Other reserves			108,284		21,656
Profit and loss account			<u>(571,286)</u>		<u>(690,081)</u>
Shareholders' deficit			<u>(462,902)</u>		<u>(668,325)</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 14 March 2012


D R Young
Director

The notes on pages 3 to 6 form part of these financial statements

Notes to the Abbreviated Accounts

For the year ended 31 December 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

The nature of the company's business is that there are significant deferred revenues, which would have a direct impact on the net current liabilities position of the company. Included in deferred income is £1,720,942 of 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, the company is in a net current asset position of £1,265,085 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 accounting period by preparing budgets. The key assumption on the budget relates to consultancy income, which has historically fluctuated, and the timing of this work is, by its nature, uncertain. The level of consultancy income forecast is consistent with the levels achieved in recent years. The directors have considered this uncertainty and have developed contingency plans should budgeted levels of consultancy income not be achieved in the 12 months from approval of the financial statements.

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 and are set out below.

1.2 Turnover

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

Subscription income (Daily Brief and Global Stress Points Matrix (GSPM))

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

Advisory income

In the case of advisory engagements, 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

Turnover from conferences primarily represents income generated by the Global Horizons Conference held annually at Oxford University and is recognised once the conference has taken place.

Notes to the Abbreviated Accounts

For the year ended 31 December 2011

1. Accounting Policies (continued)

1.3 Tangible fixed assets and depreciation

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

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

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease and by hire purchase are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.7 Pensions

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

Notes to the Abbreviated Accounts

For the year ended 31 December 2011

1. Accounting Policies (continued)

1.8 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 directly to equity.

1.9 Share-based payments

The group issues share options and warrants to certain employees. These payments are measured at fair value at the date of the grant, using an appropriate valuation model. The fair value is then expensed on a straight line basis over the vesting period, based on the group's estimate of the number of shares that will eventually vest, updated at each balance sheet date.

1.10 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 recorded as turnover 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 cost of sales 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 £189,000 (2010: £154,000).

Notes to the Abbreviated Accounts

For the year ended 31 December 2011

2. Tangible fixed assets

	£
Cost	
At 1 January 2011	898,621
Additions	17,276
Disposals	(159,483)
At 31 December 2011	<u>756,414</u>
Depreciation	
At 1 January 2011	368,632
Charge for the year	78,204
On disposals	(159,349)
At 31 December 2011	<u>287,487</u>
Net book value	
At 31 December 2011	<u>468,927</u>
At 31 December 2010	<u>529,989</u>

3. Creditors:

Amounts falling due after more than one year

There is a bank loan of £199,105 (2010 £230,016), including £31,933 (2010 £30,990) falling due within one year

The bank loan is secured by a legal charge over the freehold property. The rate of interest applicable to the loan is 2.5% above the Bank of England base rate and the loan is to be repaid over a total period of 10 years.

4. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

5. Ultimate parent undertaking and controlling party

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.