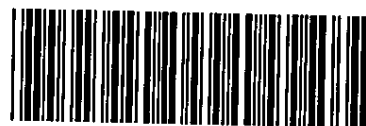


Registration number 02574299

Coutts Information Services Limited

Directors' Report and Financial Statements
for the Year Ended 31 December 2011

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Coutts Information Services Limited

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Coutts Information Services Limited
Company Information

Directors	M Cavarra A Alferovs S Everson
Secretary	Taylor Wessing Secretaries Limited
Registered office	5 New Street Square London EC4A 3TW
Auditor	Princercroft Willis LLP Chartered Accountants & Registered Auditor Towngate House 2-8 Parkstone Road Poole Dorset BH15 2PW

Coutts Information Services Limited

Directors' Report for the Year Ended 31 December 2011

The directors present their report and the audited financial statements for the year ended 31 December 2011

Principal activity

The principal activity of the company is the aggregation of books and the provision of specialised value added processing services to libraries

Business review

Review of the business and future developments

Coutts Information Services Limited is a major, global supplier of UK, North American and Northern European content, both physical and electronic to Universities Government bodies, public libraries and specialist libraries in over 110 countries worldwide

2012 onwards will see continued investment and innovation within a stable contractual environment, helping Coutts to face the challenges of well publicised public sector funding cuts

Position of the business

At the end of the year, the net assets totalled £1,052,033

Results and dividend

The results for the company are set out in the financial statements
The directors do not recommend the payment of a dividend

Directors

The directors who held office during the year were as follows

- M Cavarra
- A Alferovs
- S Everson
- M Edmondson (resigned 11 March 2011)

Key performance indicators (KPI's)

Given the straight forward nature of the business the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development performance or position of the business

Principle risks and uncertainties

The directors do not consider there to be a material exposure to price risk, credit risk, liquidity risk or cash flow risk for which actions have not been taken Given the size of the company, the directors have not delegated the responsibility for monitoring financial risk management to a sub-committee of the board The policies set by the board of directors are implemented by the company's finance department The company does not use derivative financial instruments to manage interest rate risk or foreign currency exchange risks and as such no hedge accounting is applied

Financial risk management

Credit risk The company has implemented policies that require appropriate credit checks to be performed on potential customers before sales are made The amount of exposure to any individual counter-party is subject to a limit which is re-assessed annually

Liquidity risk and interest rate risk The company is financed by its parent company through a mixture of short-term and long term debt This arrangement is designed to ensure that the company has sufficient available funds for day-to-day operations and planned expansion To the extent that the parent company loans are interest bearing, the rate is set by the parent company and interest payable is calculated on a daily basis

Coutts Information Services Limited
Directors' Report for the Year Ended 31 December 2011

Employment policies

The company gives full consideration for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Regular meetings are held between local management and employees to allow a free flow of information and ideas. Monthly Team Briefs are circulated to all staff regarding business activities and developments, project newsletters are issued when appropriate. A staff suggestion scheme is in place and the Company has recently retained its Investors in People accreditation and continues the process of continuous improvement in this area.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

Approved by the Board on 17th September 2012 and signed on its behalf by



M Cavarra
Director

Independent Auditor's Report to the Members of Coutts Information Services Limited

We have audited the financial statements of Coutts Information Services Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Coutts Information Services Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if in our opinion

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us, or
- the Company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Mark Johns

Mark Johns FCCA ACA (Senior Statutory Auditor)
For and on behalf of Princecroft Willis LLP Statutory Auditor
Towngate House
2 – 8 Parkstone Rad
Poole
Dorset
BH15 2PW

24 September 2012

Coutts Information Services Limited
Profit and Loss Account for the Year Ended 31 December 2011

	Note	Year ended 31 December 2011	Year ended 31 December 2010
		£	£
Turnover	2	27,627,292	25,549,935
Cost of sales		(23,791,350)	(21,789,911)
Gross profit		<u>3,835,942</u>	<u>3,760,024</u>
Administrative expenses		(3,349,931)	(3,646,729)
Operating profit	3	<u>486,011</u>	<u>113,295</u>
Other interest receivable and similar income		0	0
Interest payable and similar charges	6	(36,822)	(59,333)
Profit on ordinary activities before taxation		<u>449,189</u>	<u>53,962</u>
Tax on profit on ordinary activities	7	(117,434)	(95,659)
Profit / (loss) for the financial year	18, 19	<u>331,755</u>	<u>(41,697)</u>
Profit and loss reserve brought forward		85,617	138,414
Other profit and loss reserve movements	19	(8,131)	(11,100)
Profit and loss reserve carried forward		<u>409,241</u>	<u>85,617</u>

All of the activities of the company are classified as continuing

Coutts Information Services Limited

Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2011

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Net profit/(loss) for the year	331,755	(41,697)
Foreign currency translation differences	(8,131)	(11,100)
Total recognised gains and (losses) for the year	<u>323,624</u>	<u>(52,797)</u>

Coutts Information Services Limited
Balance Sheet as at 31 December 2011

	Note	31 December 2011		31 December 2010	
		£	£	£	£
Fixed assets					
Intangible assets	8		10,848		90,905
Tangible assets	9		1,217,694		1,284,337
Investments	10		-		100
			<u>1,228,542</u>		<u>1,375,342</u>
Current assets					
Stocks	11	381,797		411,417	
Debtors	12	4,489,060		4,596,758	
Cash at bank and in hand		<u>539,972</u>		<u>394,413</u>	
		5,410,829		5,402,588	
Creditors' Amounts falling due within one year	13	<u>(5,306,198)</u>		<u>(4,504,188)</u>	
Net current assets			<u>104,631</u>		<u>898,400</u>
Total assets less current liabilities			1,333,173		2,273,742
Creditors' Amounts falling due after more than one year	14		<u>(281,140)</u>		<u>(1,893,333)</u>
Net assets			<u>1,052,033</u>		<u>380,409</u>
Capital and reserves					
Called up share capital	17		351,356		3,356
Share premium reserve	18		80,236		80,236
Capital redemption reserve	18		211,200		211,200
Profit and loss reserve	18		<u>409,241</u>		<u>85,617</u>
Shareholders' funds	19		<u>1,052,033</u>		<u>380,409</u>

Approved by the Board on 17th September 2012 and signed on its behalf by



M Cavanagh
Director

Company number 02574299

Coutts Information Services Limited
Cash Flow Statement for the Year Ended 31 December 2011

		Year ended 31 December 2011	Year ended 31 December 2010
	Note	£	£
Net cash flow from operating activities	21	206 024	(213,340)
Returns on investment and servicing of finance	22	(36,822)	(59,333)
Taxation	22	-	-
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(23 643)	(8,963)
Sales of tangible fixed assets		-	100
		<u>(23,643)</u>	<u>(8,863)</u>
Net cash flow		<u>145,559</u>	<u>(281,536)</u>

Reconciliation of net cash flow to movement in net funds

		Year ended 31 December 2011	Year ended 31 December 2010
	Note	£	£
Increase/(decrease) in cash in the year	23	145 559	(281,536)
Change in net funds resulting from cash flows		<u>145,559</u>	<u>(281,536)</u>
Net funds at the start of the year	23	<u>394 413</u>	<u>675 949</u>
Net funds at the end of the year	23	<u>539,972</u>	<u>394,413</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting policies

Basis of preparation

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

Going concern

These financial statements have been prepared on the basis that the company can continue to operate as a going concern. The directors consider this basis to be appropriate as the company has continued support of its ultimate parent undertaking.

Turnover

Turnover represents amounts chargeable net of value added tax, in respect of the sale of goods and services to customers.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Goodwill	20 years
----------	----------

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% straight line
Furniture and equipment	15% p.a. on reducing balance and up to 7 years straight line
Motor vehicles	25% straight line basis
Computer equipment	between 3 and 10 years straight line

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Fixed asset investments

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

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

The overseas branch is translated using the closing rate method and the exchange differences arising on retranslation of opening net assets are taken directly to reserves. All other translation differences are taken to the profit and loss account

Operating leases

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

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2 Turnover

The company competes internationally with specialist booksellers throughout the world. The directors are of the opinion that the analysis of turnover by geographical market would be seriously prejudicial to the Company as competitors may use this information to their advantage

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

3 Operating profit

Operating profit is stated after charging/(crediting)

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Hire of plant and machinery - operating leases	15 961	13,342
The audit of the company's annual accounts	22,364	19,160
Foreign currency (gains)/losses	(73,208)	(1,915)
Loss/(profit) on disposal of tangible fixed assets	-	(100)
Depreciation of owned assets	90 286	135,256
Amortisation	80,057	84,088
Impairment of investment in subsidiary	100	-
	<u> </u>	<u> </u>

Fees paid to the company's auditor for services other than the statutory audit of the company are not disclosed in the accounts since the consolidated accounts of the company's parent, Coutts Information Holdings Limited, are required to disclose such fees on a consolidated basis

4 Particulars of employees

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

	Year ended 31 December 2011	Year ended 31 December 2010
	No	No
Production	101	90
Sales & Distribution	11	20
Administration & Management	19	22
	<u>131</u>	<u>132</u>

The aggregate payroll costs of these persons were as follows

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Wages and salaries	2,859,024	2,943 239
Social security	267,379	275,124
Other pension costs	77,814	87,193
	<u>3,204,217</u>	<u>3,305,556</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

5 Directors' emoluments

The directors' emoluments for the year are as follows

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Directors' remuneration (including benefits in kind)	125,345	213,505
Directors' pension contributions	5,844	9,131
	<u>131,189</u>	<u>222,636</u>

The number of directors accruing benefits under company pension schemes was as follows

	Year ended 31 December 2011	Year ended 31 December 2010
	No	No
Money purchase	<u>2</u>	<u>2</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £103,580 (31 December 2010 - £108,308), and company pension contributions of £4,552 (31 December 2010 - £4,743) were made to a money purchase scheme on their behalf

6 Interest payable and similar charges

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Other interest payable	36,822	59,333
	<u>36,822</u>	<u>59,333</u>

7 Taxation

Analysis of current period tax charge/(credit)

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Deferred tax		
Origination and reversal of timing differences	134,172	68,734
Deferred tax adjustment relating to previous years	(16,738)	26,925
Total deferred tax	<u>117,434</u>	<u>95,659</u>

A deferred tax asset has been recognised this year due to the expectation that the company will make sufficient taxable profits in the near future for the reversal of the timing difference to affect the amount of tax payable

Legislation to reduce the rate of corporation tax from 26% to 25% took effect from 1 April 2012. This rate change has been used in the computation of the deferred tax asset. Further reductions to the main rate are proposed to reduce the rate to 23% which is not reflected in these financial statements.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

7 Taxation (continued)

Factors affecting current period tax charge/(credit)

The tax assessed on the profit on ordinary activities for the year is lower than (2010 – lower than) the standard rate of corporation tax in the UK of 26.5% (2010 – 28%)

The differences are reconciled below

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Profit on ordinary activities before taxation	449,189	53,962
Standard rate corporation tax charge	119,035	15,109
Expenses not deductible for tax purposes	304	2,071
Other timing difference	(446)	3,568
Depreciation in excess of capital allowances	24,026	47,986
Loss (utilised)/carried forward in period	(142,919)	(68,734)
Total current tax for the year	-	-

8 Intangible fixed assets

	Goodwill £
Cost	
As at 1 January 2011	867,248
Disposals	-
As at 31 December 2011	867,248
Amortisation	
As at 1 January 2011	776,343
Charge for the year	80,057
As at 31 December 2011	856,400
Net book value	
As at 31 December 2011	10,848
As at 31 December 2010	90,905

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

9 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
As at 1 January 2011	1 327 954	568 600	556 900	2,453,454
Additions	-	13 836	9,807	23,643
Disposals	-	(251,112)	-	(251,112)
As at 31 December 2011	<u>1 327 954</u>	<u>331,324</u>	<u>566,707</u>	<u>2 225 985</u>
Depreciation				
As at 1 January 2011	279,757	466,968	422,392	1,169,117
Eliminated on disposals	-	(251 112)	-	(251,112)
Charge for the year	20,478	27,740	42,068	90,286
As at 31 December 2011	<u>300,235</u>	<u>243,596</u>	<u>464,460</u>	<u>1,008,291</u>
Net book value				
As at 31 December 2011	<u>1,027,719</u>	<u>87,728</u>	<u>102,247</u>	<u>1,217,694</u>
As at 31 December 2010	<u>1,048,197</u>	<u>101,632</u>	<u>134,508</u>	<u>1,284,337</u>

Freehold land and buildings

The gross book value of freehold land and buildings includes £1,027,954 (2010 - £1,027,954) of depreciable assets

10 Investments held as fixed assets

	Shares in group undertakings £
Cost	
As at 1 January 2011	100
Impairment provision	(100)
At 31 December 2011	<u>-</u>
Net book value	
As at 31 December 2011	<u>-</u>
As at 31 December 2010	<u>100</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

10 Investments held as fixed assets (continued)

The company holds more than 20% of the share capital of the following companies

Subsidiary undertakings	Country of incorporation	Principal activity	Class	%
Promotional Books Limited	UK	Dormant	Ordinary	100

	Capital & reserves £	Profit/(loss) for the period £
Subsidiary undertakings		
Promotional Books Limited	100	-

Former subsidiary company, Farries Library Services Limited was dissolved on 22nd March 2011

11 Stocks and work in progress

	31 December 2011 £	31 December 2010 £
Stocks	<u>381,797</u>	<u>411,417</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

12 Debtors

	31 December 2011 £	31 December 2010 £
Trade debtors	2,700,002	2,674,740
Amounts owed by group undertakings	1,241,262	1,228,148
Other debtors	44,113	37,661
Deferred tax	232,591	350,025
Prepayments and accrued income	<u>271,092</u>	<u>306,184</u>
	<u>4,489,060</u>	<u>4,596,758</u>

The company is expected to be profitable for the foreseeable future and therefore a deferred tax asset has been recognised in respect of tax losses

Debtors includes £1,089,849 (31 December 2010 – 1,089,160) receivable after more than one year

This can be analysed as follows

	31 December 2011 £	31 December 2010 £
Amounts owed by group undertakings	<u>1,089,849</u>	<u>1,089,160</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

13 Creditors. Amounts falling due within one year

	31 December 2011	31 December 2010
	£	£
Trade creditors	3,385,651	3,285,446
Amounts owed to group undertakings	869,167	401,993
Social security and other taxes	94,284	111,261
Other creditors	11,049	12,743
Accruals and deferred income	946,047	692,745
	<u>5,306,198</u>	<u>4,504,188</u>

14 Creditors. Amounts falling due after more than one year

	31 December 2011	31 December 2010
	£	£
Preference shares	-	348,000
Amounts owed to group undertakings	281,140	1,545,333
	<u>281,140</u>	<u>1,893,333</u>

15 Loans and other borrowings

	31 December 2011	31 December 2010
	£	£
148,000 'A' 10% cumulative redeemable preference shares of £1 each	-	148,000
200,000 'A' 6% cumulative redeemable preference shares of £1 each	-	200,000
Total	<u>-</u>	<u>348,000</u>

During the year the 148,000 'A' 10% cumulative redeemable preference shares and 200,000 'A' 6% cumulative redeemable preference shares were re-designated as Ordinary shares of £1 each

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

16 Maturation of borrowings

Preference Shares

Amounts repayable

	31 December 2011	31 December 2010
	£	£
Between one and two years	-	348,000

17 Share capital

Equity

1,712 Ordinary 'A' shares of £1 each	-	1,712
1,644 Ordinary 'B' shares of £1 each	-	1,644
351,356 (2010 – Nil) Ordinary shares of £1 each	351,356	-
	<u>351,356</u>	<u>3,356</u>

On 14th November 2011 the 1,712 'A' Ordinary shares and the 1,644 'B' Ordinary shares were re-designated as Ordinary shares of £1 each and 348,000 cumulative redeemable preference shares were also re-designated as Ordinary shares of £1 each

18 Reserves

	Share premium reserve	Capital redemption reserve	Profit and loss reserve	Total
	£	£	£	£
Balance at 1 January 2011	80,236	211,200	85,617	377,053
Transfer from profit and loss account for the year	-	-	331,755	331,755
Foreign currency translation differences	-	-	(8,131)	(8,131)
Balance at 31 December 2011	<u>80,236</u>	<u>211,200</u>	<u>409,241</u>	<u>700,677</u>

19 Reconciliation of movements in shareholders' funds

	31 December 2011	31 December 2010
	£	£
Profit/(loss) attributable to members of the company	331,755	(41,697)
Dividends	-	-
	<u>331,755</u>	<u>(41,697)</u>
Re-designation of preference shares	348,000	-
Other recognised loss for the period	(8,131)	(11,100)
Net increase/(decrease) to shareholders' funds	<u>671,624</u>	<u>(52,797)</u>
Opening shareholders' funds	380,409	433,206
Closing shareholders' funds	<u>1,052,033</u>	<u>380,409</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

20 Pension scheme

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £77,814 (31 December 2010 - £87,193).

Contributions totalling £11,049 (2010 - £12,743) were payable to the schemes at the end of the year and are included in creditors.

21 Reconciliation of operating profit to operating cash flows

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Operating profit	486,011	113,295
Depreciation, amortisation and impairment charges	170,443	219,344
Loss/(profit) on disposal of fixed assets	-	(100)
(Increase)/decrease in stocks	29,620	(57,117)
(Increase)/decrease in debtors	(9,736)	(31,312)
(Decrease)/increase in creditors	(462,183)	(446,350)
Retranslation adjustment	(8,131)	(11,100)
Net cash flow from operating activities	<u>206,024</u>	<u>(213,340)</u>

22 Analysis of cash flows

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
Returns on investment and servicing of finance		
Other interest paid	(36,822)	(59,333)
Interest received	-	-
	<u>(36,822)</u>	<u>(59,333)</u>

23 Analysis of net funds

	At start of period	Cash flow	At end of period
	£	£	£
Cash at bank and in hand	394,413	145,559	539,972
Net funds	<u>394,413</u>	<u>145,559</u>	<u>539,972</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

24 Related parties

Controlling entity

At the balance sheet date the company was controlled by Coutts Information Holdings Limited, a company incorporated in Great Britain. Coutts Information Holdings Limited prepare group accounts and these are available from 5 New Street Square, London, EC4A 3TW. Coutts Information Holdings Limited are owned by an affiliate of Ingram Industries Inc, a company incorporated in the United States. The company considers Ingram Industries Inc to be its ultimate parent company.

Related party transactions

The company is a wholly owned subsidiary of Coutts Information Holdings Limited. In accordance with FRS 8 the company is exempt from disclosing transactions with Coutts Information Holdings Limited.

The following balances with companies under the common control of Ingram Industries Inc existed at the year end:

ICAC LLC

	31 December 2011	31 December 2010
	£	£
Other creditors (due in more than one year)	281,140	1,545,333

During the year loan interest of £36,822 (2010 - £59,333) was charged by ICAC LLC. In addition, various amounts of expenditure have been recharged to and from ICAC LLC.

Coutts Information Services (Canada) Limited

	31 December 2011	31 December 2010
	£	£
Other debtors	97,322	66,964

During the period sales totalling £1,310,610 (2010 - £1,003,954) and purchases totalling £174,712 (2010 - £141,911) were charged. In addition, various amounts of expenditure have been recharged to and from Coutts Information Services (Canada) Limited.

Coutts Information Services Inc

	31 December 2011	31 December 2010
	£	£
Other debtors	54,014	70,348

During the period various amounts of expenditure have been recharged to and from Coutts Information Services Inc.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

24 Related parties (continued)

Ingram Digital Limited

	31 December 2011	31 December 2010
	£	£
Other creditors	805,402	394,916

During the period purchases totalling £2,858,650 (2010 - £1,893,931) and various amounts of expenditure have been recharged to Ingram Digital Limited

Lightning Source UK Limited

	31 December 2011	31 December 2010
	£	£
Other creditors	15,758	7,076

During the period purchases totalling £60 970 (2010 - £28 937) have been recharged by Lightning Source UK Limited

Ingram Book Group Inc

	31 December 2011	31 December 2010
	£	£
Other debtors	-	1,678
Other creditors	48,037	-

During the period purchases, totalling £667 850 (2010 - £587,222) and sales totalling £264,538 (2010 - £10,006) were charged