

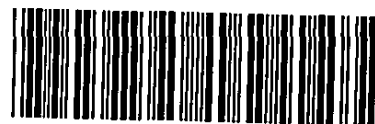
Company Registration No. 02801121

**International Trade and Exhibitions
(JV) Limited**

Report and Financial Statements

Year ended 30 September 2011

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International Trade and Exhibitions (JV) Limited

Report and financial statements 2011

Contents

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	6
Independent auditor's report	7
Profit and loss account	9
Balance sheet	10
Notes to the accounts	11

International Trade and Exhibitions (JV) Limited

Report and financial statements 2011

Officers and professional advisers

Directors

Russell Taylor
Edward Strachan
Neil Jones

Secretary

Anil Harilal Gadhia

Registered Office

105 Salusbury Road
London
NW6 6RG

Principal Bankers

Barclays Bank PLC
27 Soho Square
London
W1A 4WA

Auditor

Deloitte LLP
London
United Kingdom

International Trade and Exhibitions (JV) Limited

Directors' report

The directors present their annual report and the audited financial statements (including the auditor's report) for the year ended 30 September 2011

Principal activities and future prospects

The Company is a wholly-owned subsidiary of ITE Group Plc and operates as part of the group's UK division

The Company's principal activities are the organising of international trade exhibitions and conferences. There have not been any significant changes in the Company's principal activities in the year under review.

During the year intangible and other assets associated with certain exhibitions have been traded within the ITE Group. The transaction meets the requirements for using merger accounting and therefore the difference between the net book value of the assets disposed and the consideration received has been taken to the merger reserve (see note 24).

The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The Company continues to develop the business and to seek opportunities to expand into new markets.

Results and dividends

The results for the year are set out on page 9.

Dividends of £5 million (2010: £nil) were paid in the year.

Directors

The directors who held office throughout the year and to the date of this report were as follows:

Russell Taylor
Edward Strachan
Neil Jones

Enhanced business review

The Directors believe that the key performance indicators for the Company are turnover, gross profit and net assets. The Directors believe that no further measures are necessary or appropriate for an understanding of the development, performance or position of the business.

As shown in the Company's profit and loss account on page 9, the Company's sales have decreased compared to the prior year at £14.3 million (2010: £15.4m). The company made a loss after tax of £1.3 million (2010: profit of £6.1 million in the prior year).

The balance sheet on page 10 of the financial statements shows that the Company has net liabilities of £1.4 million (2010: net assets of £5.1 million). Details of amounts owed to and from its parent Company and subsidiary undertakings are shown in notes 14 and 15.

There have been no significant events since the balance sheet date.

International Trade and Exhibitions (JV) Limited

Directors' report (continued)

Principal risks and uncertainties

Political uncertainty and regulatory risk

The Company's business is principally carried out in Russia and the CIS. Changes in law or the regulatory environment could have an effect on some or all of the exhibitions of the Company. A regulatory change affecting the trading prospects of a particular sector could affect short-term prospects, but the Company's diversity of businesses across sectors and geography provides protection for the longer term prospects of the Company.

Commercial relationships

The Company has key commercial relationships with venues which secure the Company's rights to run its exhibitions in the future. These key relationships are regularly reviewed and the Company seeks to maintain its exhibition rights for at least three years forward for all significant exhibitions.

Venue availability

Damage to a venue making it unavailable for an exhibition could impact upon the Company's short-term trading position. Accordingly the Company carries business interruption insurance policies which protect its profits against such an event in the short term.

Competitor risk

Competition has existed in Company's markets for some years. The Company faces competitive pressures on a market-by-market basis. Recent increase in venue space available in Moscow has increased the potential for new market entrants in the Moscow exhibition business. In Central Asia, The Group has a strong position in all its markets as the largest international organiser. In Kiev, Ukraine, there are a number of exhibition venues and directly competitive events exist in most of the Company's favoured sectors.

In all of its overseas markets the Company has a strong position as an international organiser achieved through effective use of its international sales network and its established brands for major events. A single exhibition or sector in a market could have its prospects curtailed by a strong competitor launch, however the breadth of the Company's portfolio of events with its geographic and sector diversity reduce the risk of a competitive threat to the Company's overall business.

International Trade and Exhibitions (JV) Limited

Directors' report (continued)

Foreign currency and cash flow risk

ITE's business is priced in Euros, Dollars and Sterling. The Company maintains short-term hedging and forward option positions to protect foreseeable 'hard' currency receipts.

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company uses foreign exchange forward contracts to hedge these exposures.

Interest-bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The Company's principal financial assets are bank balances and cash, trade and other receivables and amounts owed by parent and fellow subsidiaries. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

The company is part of ITE Group Plc. ITE Group Plc and its subsidiaries are committed to provide the necessary level of financial support to the Company to enable it to pay its debts as they become due. ITE Group Plc and its subsidiaries have the necessary financial resources to fulfil that commitment.

Supplier payment policy

The Group's policy, which is also applied to the Company, is to agree payment terms with suppliers when entering into each transaction to ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment. The Company has no trade creditors.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Going Concern

Having considered the risks and uncertainties in the current uncertain economic environment, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. Further details are set out in note 1.

International Trade and Exhibitions (JV) Limited

Directors' report (continued)

Environment

As a media services company, the Company acknowledges that its business has an impact on the environment, albeit relatively minor. The Company does not manufacture or sell any tangible products. The Company actively controls its energy costs and the office and other waste generated by its business.

As a media services business the Company's activities do not directly effect the environment through emissions to air, water or land. The Company's activities, mostly through its customers and suppliers have an impact on waste and natural resources usage through materials used in assembling exhibition stands and participating in the exhibition. Presently, practice in controlling waste at different exhibitions centres varies widely through the different regions in which the Company operates.

Employees

Details of the number of employees and related costs can be found in note 7 to the financial statements.

Auditor

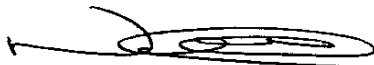
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Neil Jones
Director

28 June 2012

International Trade and Exhibitions (JV) Limited

Statement of directors' responsibilities

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 that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping 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 that 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.

International Trade and Exhibitions (JV) Limited

Independent auditor's report to the members of International Trade and Exhibitions (JV) Limited

We have audited the financial statements of International Trade and Exhibitions (JV) Limited for the year ended 30 September 2011 which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 24. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with 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 auditors' 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 Statement of directors' responsibilities, 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 (APB'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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 September 2011 and of its loss 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 matter 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.

International Trade and Exhibitions (JV) Limited

Independent auditor's report to the members of International Trade and Exhibitions (JV) 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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



Alexander Butterworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK

28 June 2012

International Trade and Exhibitions (JV) Limited

Profit and loss account

For the year ended 30 September 2011

	Notes	2011 £000	2010 £000
Turnover	2	14,280	15,356
Cost of sales		(10,327)	(7,942)
Gross profit		3,953	7,414
Administrative expenses		(6,726)	(2,879)
Other operating income	3	292	288
Operating (loss)/ profit		(2,481)	4,823
Income from shares in Group undertakings		1,115	3,278
Interest receivable and similar income	5	78	92
Interest payable and similar charges	6	(504)	(223)
(Loss)/ profit on ordinary activities before taxation	4	(1,791)	7,970
Tax credit/(charge) on (loss)/profit on ordinary activities	9	450	(1,875)
(Loss)/ profit on ordinary activities after taxation		(1,341)	6,095

The results above are derived solely from continuing operations

There were no recognised gains or losses in the current or preceding year other than those recorded in the profit and loss account. Therefore no statement of total recognised gains and losses has been prepared.

International Trade and Exhibitions (JV) Limited

Balance sheet

At 30 September 2011

Company Registration No. 02801121

	Notes	2011 £000	2010 £000
Fixed assets			
Intangible fixed assets	11	2,639	7,079
Tangible assets	12	1,100	1,139
Investments	13	6,150	5,614
		<u>9,889</u>	<u>13,832</u>
Current assets			
Debtors			
- due within one year	14	27,580	56,968
- due after one year	14	2,482	1,303
Cash at bank and in hand		4,313	9,721
		<u>34,375</u>	<u>67,992</u>
Creditors: Amounts falling due within one year	15	(45,280)	(76,490)
Provisions for liabilities and charges due within one year	16	(201)	(137)
Net current liabilities		<u>(11,106)</u>	<u>(8,635)</u>
Total assets less current liabilities		<u>(1,217)</u>	<u>5,197</u>
Provisions for liabilities and charges due after one year	16	(201)	(137)
Net (liabilities)/assets		<u>(1,418)</u>	<u>5,060</u>
Capital and reserves			
Called up share capital	17	1	1
Merger reserve	24	(580)	-
Profit and loss account	24	(839)	5,059
Shareholder's (deficit)/ funds	24	<u>(1,418)</u>	<u>5,060</u>

These financial statements were approved by the Board of Directors on 28 June 2012

Signed on behalf of the Board of Directors

Neil Jones



Director

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a wholly-owned subsidiary undertaking and whose parent prepares a group cash flow statement that includes the Company

The company has taken advantage of the exemption from the requirement to prepare consolidated accounts set out in Section 400 of the Companies Act 2006. The company's financial statements present information about it as an individual Company and not about its group. At 30 September 2011 and 30 September 2010 the company was a wholly-owned subsidiary undertaking of ITE Group plc, a company registered in England and Wales and group accounts have been prepared for that company

Going Concern

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. The Company's business activities together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2

Performance for the year shows the Company's sales are 7% below prior year at £14.3 million. The Company made a loss after tax of £1.3 million (2010 profit of £6.1 million). The balance sheet on page 10 of the financial statements shows that the Company has net liabilities of £1.4 million against net assets of £5.1 million in 2010. Current assets (including cash) are 49% below prior year at £34.4 million (2010 £68.0 million)

However, ITE Group Plc and its subsidiaries have committed to provide the necessary level of financial support to International Trade and Exhibitions (JV) Limited to enable it to pay its debts as they become due. The directors believe that ITE Group Plc and its subsidiaries have the necessary financial resources to fulfil that commitment

The Company currently has no external credit facilities and hence the availability of funding to the Company is conducted through intercompany loans with fellow Group companies, if needed

Trading and cash flow forecasts for the future have been prepared, which show the Company is expected to be profitable with sufficient cash resources for the foreseeable future

The directors, having assessed the responses of the directors of the company's ultimate parent, ITE Group Plc to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of International Trade and Exhibitions (JV) Limited to continue as a going concern or its ability to continue with the current banking arrangements

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of ITE Group Plc, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales-related taxes

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

1. Accounting policies (continued)

Revenue and profit recognition

Revenue and profit is recognised on completion of the event. Billings and cash received in advance, and directly attributable costs relating to future events are deferred. The amounts so deferred are included in the balance sheet as deferred event income and prepaid event costs respectively. Losses anticipated at the balance sheet date are provided in full.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is up to a maximum of 20 years. Provision is made for any impairment.

Goodwill arising on acquisition in the year ended 30 September 1998 and earlier was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill written off to reserves is included in determining the profit or loss on disposal.

Intangible assets

Trademarks are included at cost and depreciated on a straight-line basis over a period of 20 years. Provision is made for any impairment.

Share-based payments

The cost of share options is charged on a straight-line basis over the term to exercise of the options. The cost is calculated as the difference between the market value at date of grant and exercise price.

The Company issues equity-settled share-based payments to certain employees. These are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Fair value is measured using a Black-Scholes model. The expected life used in the model has been adjusted, for the effects of non-transferability, exercise restrictions and behavioural considerations based on management's best estimate.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or their contractual rate where applicable. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates of exchange prevailing at that date. Gains and losses arising on the settlement of monetary items are included in profit or loss for the period.

International Trade and Exhibitions (JV) Limited

Notes to the accounts Year ended 30 September 2011

1. Accounting policies (continued)

Bank borrowings

Bank overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted for on an accrual basis to profit or loss.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold buildings - 50 years

Plant and equipment - 4 - 10 years

Investments

Fixed asset investments are shown at cost less provision for any impairment.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such investment at a constant rate on the carrying amount.

Derivative financial instruments

The Company uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Company does not hold or issue derivative financial instruments for speculative purposes. In accordance with FRS 26, the company is exempt from applying the principles of this standard. However, additional disclosures are made in accordance with FRS 29.

2. Segmental analysis

The turnover is attributable to the Company's one principal activities, the organisation of trade exhibitions and conferences and can be analysed by geographic segment as follows:

	2011 £000	2010 £000
Russia & the CIS	11,976	11,922
Rest of world	2,304	3,434
	<u>14,280</u>	<u>15,356</u>

3. Other operating income

Other operating income includes rental income of £291,734 (2010: £287,503).

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

4. (Loss)/profit on ordinary activities before taxation

	2011 £000	2010 £000
This is stated after charging/(crediting)		
Depreciation	156	359
Amortisation of goodwill	1,133	1,143
Amortisation of trademarks	4	4
Impairment	130	-
Foreign exchange loss/(gain)	102	(2,134)
Operating lease rentals – other	441	441
	<u>441</u>	<u>441</u>

Audit fees of £20,000 (2010 £20,000) were borne by ITE Group Plc in respect of the audit of group companies

5. Interest receivable and similar income

	2011 £000	2010 £000
Interest from bank and short-term deposits	36	92
Interest due from parent and fellow subsidiary undertakings	42	-
	<u>78</u>	<u>92</u>

6. Interest payable and similar charges

	2011 £000	2010 £000
Overdraft interest	504	186
Interest due to parent and fellow subsidiary undertakings	-	37
	<u>504</u>	<u>223</u>

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

7. Employees

(a) Number of employees

The average number of persons including four directors (2010 4) employed by the Company during the year was as follows

	2011 No.	2010 No.
Administration	62	36
Technical and sales	37	54
	<u>99</u>	<u>90</u>

(b) Employee costs

Their aggregate remuneration comprised

	2011 £000	2010 £000
Wages and salaries	5,938	5,051
Share-based payment costs	444	374
Social security costs	588	501
Other pension costs	15	15
Gross total	<u>6,985</u>	<u>5,942</u>
Less Charged to fellow subsidiaries	<u>(1,333)</u>	<u>(1,846)</u>
Net charge to the Company	<u>5,652</u>	<u>4,095</u>

8 Directors' emoluments

Emoluments

The emoluments of the directors of the Company were

	2011 £000	2010 £000
Emoluments	<u>1,908</u>	<u>1,917</u>
Highest paid director	<u>808</u>	<u>796</u>

No contributions were made into pension schemes

Directors' remuneration includes payments to Edward Strachan's consultancy Company, Kyzyl Tan Consultants Limited Details are given in note 22

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

9. Tax credit/(charge) on profit on ordinary activities

	2011 £000	2010 £000
Current taxation		
UK corporation tax for the year	(206)	(1,702)
Group relief	547	-
Adjustments to prior years' tax provisions	263	(92)
	<u>604</u>	<u>(1,794)</u>
Double taxation relief	206	222
	<u>810</u>	<u>(1,572)</u>
Foreign tax	(265)	(370)
	<u>545</u>	<u>(1,942)</u>
Total current tax		
Deferred taxation	(95)	67
	<u>450</u>	<u>(1,875)</u>
Tax credit/(charge) on profits on ordinary activities		

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 27% (2010 28%). The actual tax charge for the current and the previous year is less than the standard rate for the reasons set out in the following reconciliation

	2011 £000	2010 £000
(Loss) / profit on ordinary activities before tax	<u>(1,791)</u>	<u>7,970</u>
Tax at 27% (2010 28%)	484	(2,232)
Effects of		
Expenses not deductible for tax purposes	(495)	(397)
Movement in general provisions	57	(2)
Capital allowances in excess of depreciation	47	(22)
Exempt dividends	301	918
Income from shares in group undertakings taxed at source	-	-
Share based costs	42	(59)
Overseas tax – withholding tax	(59)	(148)
UK/UK transfer pricing	(95)	92
Adjustments to tax charge in respect of previous periods	263	(92)
	<u>545</u>	<u>(1,942)</u>
Current tax credit/(charge) for the year		

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

9 Tax charge/(credit) on profit on ordinary activities (continued)

	2011 £000	2010 £000
Deferred taxation		
Accelerated capital allowances	(6)	49
Short term timing differences	132	172
Net deferred tax asset	<u>126</u>	<u>221</u>
Net deferred tax asset – opening balance	221	154
Deferred tax (charge)/credit	<u>(95)</u>	<u>67</u>
Net deferred tax asset at the end of the year	<u>126</u>	<u>221</u>

10. Dividends

	2011 £000	2010 £000
Final dividend paid of £5,000 (2010 £nil) per ordinary share	<u>5,000,000</u>	<u>-</u>

Subsequent to the payment of the final dividend of £5 million to another group company, the directors became aware that it had not been made in accordance with Section 830 of the Companies Act 2006. The directors acknowledge that no further distributions can be made until there are sufficient profits available for that purpose.

International Trade and Exhibitions (JV) Limited

Notes to the accounts Year ended 30 September 2011

11. Intangible assets

	Trademarks £000	Goodwill £000	Total £000
Cost			
As at 1 October 2010	71	24,399	24,470
Disposals	-	(7,207)	(7,207)
As at 30 September 2011	<u>71</u>	<u>17,192</u>	<u>17,263</u>
Amortisation			
As at 1 October 2010	21	17,370	17,391
Charge for the year	4	1,133	1,137
Impairment	-	130	130
Disposals	-	(4,034)	(4,034)
As at 30 September 2011	<u>25</u>	<u>14,599</u>	<u>14,624</u>
Net book value at 30 September 2011	<u>46</u>	<u>2,593</u>	<u>2,639</u>
Net book value at 30 September 2010	<u>50</u>	<u>7,029</u>	<u>7,079</u>

The impairment relates to an exhibition no longer being run by the company and as such all goodwill relating to the exhibition has been impaired

The disposal of intangible assets relates to the transfer of certain events to other companies within the ITE Group

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

12 Tangible fixed assets

	Leasehold buildings £000	Plant and equipment £000	Total £000
Cost			
As at 1 October 2010	946	2,779	3,725
Additions	-	117	117
Disposals	-	(364)	(364)
As at 30 September 2011	946	2,532	3,478
Depreciation			
As at 1 October 2010	521	2,065	2,586
Charge for the year	49	107	156
Disposals	-	(364)	(364)
As at 30 September 2011	570	1,808	2,378
Net book value at 30 September 2011	376	724	1,100
Net book value at 30 September 2010	425	714	1,139

13 Investments

The Company has investments in the following subsidiary undertakings. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

Principal subsidiary undertakings	Country of incorporation or principal business	Principal activity	Holding	%
ITECA	Kazakhstan	Exhibitions & Conferences	Ordinary Shares	100
Iteca Caspian Limited	Azerbaijan	Exhibitions & Conferences	Ordinary Shares	100
ITE Uzbekistan	Uzbekistan	Exhibitions & Conferences	Ordinary Shares	100
Iteca Ala-Too	Kyrgyzstan	Exhibitions & Conferences	Ordinary Shares	100

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

13. Investments (continued)

	Shares & equity £000	Loans £000	Total £000
Cost			
As at 1 October 2010	3,326	12,908	16,234
Additions	536	-	536
As at 30 September 2011	<u>3,862</u>	<u>12,908</u>	<u>16,770</u>
Provisions			
As at 1 October 2010 and 30 September 2011	-	10,620	10,620
Net book value			
30 September 2011	<u>3,862</u>	<u>2,288</u>	<u>6,150</u>
30 September 2010	<u>3,326</u>	<u>2,288</u>	<u>5,614</u>

Loans represent amounts advanced to ITE Overseas Ltd, a fellow group undertaking

Additions relate to the purchase of shares in Summit Trade Events Limited, Scoop Limited and ITE International Exhibitions and Conferences Services (Beijing) Co Ltd

14 Debtors

	2011 £000	2010 £000
Debtors due within one year		
Trade debtors	1,177	2,954
Amounts owed by parent and fellow subsidiary undertakings	20,316	50,853
Deferred tax asset	126	221
Corporation tax prepaid	2,278	-
Other debtors	699	843
Venue loans and other loans	2,732	1,810
Prepayments and accrued income	252	287
	<u>27,580</u>	<u>56,968</u>
Debtors due after one year		
Venue loans and other loans	<u>2,482</u>	<u>1,303</u>

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

15. Creditors: amounts falling due within one year

	2011 £000	2010 £000
Overdraft	13,948	10,183
Trade creditors	99	-
Amounts owed to parent and fellow subsidiary undertakings	24,265	58,006
Taxation and social security	77	114
Corporation tax payable	-	145
Other creditors	2,585	579
Accruals and deferred income	4,306	7,463
	<u>45,280</u>	<u>76,490</u>

16. Provisions for liabilities and charges

	National Insurance on share options £000
1 October 2010	274
Increase during the year	128
30 September 2011	<u>402</u>
Included in current liabilities	201
Included in non-current liabilities	201
	<u>402</u>

The provision for National Insurance on share options is calculated by reference to the employer's National Insurance cost on the potential gain based on the difference between the exercise price and share price for those share options where the share price exceeds the exercise price at 30 September 2011

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

17. Share capital

	2011 £000	2010 £000
Authorised share capital:		
1,000 ordinary shares of £1 each	1	1
Allotted, called up and fully paid:		
1,000 ordinary shares of £1 each	1	1

18. Share-based payments

Share option plans – Equity settled

The Group operates a share option plan for all employees of the Group. Options are exercisable at a price equal to the average quoted market price of the parent company's share on the date of grant. The vesting period is either three or five years and are exercisable up to 10 years from granting. The options are forfeited if the employee leaves the Group before the options vest.

Performance share plans – Equity settled

The Group operated a Performance Share Plan ("PSP") for executives and staff. Awards under the PSP are at an exercise value of either 1p or nil. Awards can be made to an employee over shares up to a maximum of 100% of base salary each year based on market value. The vesting period is three years and are exercisable up to 10 years from the date of grant. The options are forfeited if the employee leaves the Group before the options vest. The awards are also subject to a performance target.

International Trade and Exhibitions (JV) Limited

Notes to the accounts Year ended 30 September 2011

18. Share-based payments (continued)

Details of the share options outstanding as at 30 September 2011 are as follows

	2011 Number of share options	2011 Weighted average exercise price (p)	2010 Number of share options	2010 Weighted average exercise price (p)
Share option plans				
Outstanding at beginning of period	929,450	90.9	976,950	88.6
Granted during the period	451,000	231.5	67,500	126.5
Lapsed during the period	(2,500)	(231.5)	(87,500)	(94.8)
Exercised during the period	(263,450)	(131.3)	(27,500)	(85.5)
Outstanding at end of the period	<u>1,114,500</u>		<u>929,450</u>	
Performance share plans				
Outstanding at beginning of period	1,511,000	1.0	928,500	1.0
Granted during the period	594,100	1.0	615,000	1.0
Lapsed during the period	(91,000)	(1.0)	(32,500)	(1.0)
Exercised during the period	(61,973)	(1.0)	-	-
Outstanding at the end of the period	<u>1,952,127</u>		<u>1,511,000</u>	

The share options outstanding under the Share Options Plan at 30 September 2011 had a weighted average exercise price of 138p, and a weighted average remaining contractual life of 427 days. The share options outstanding at 30 September 2011 under the Performance Share Plan had a weighted average exercise price of 1p, and a weighted average remaining contractual life of 437 days.

The Company recognised total expenses of £443,805 and £375,430 related to equity settled share-based payment transactions in 2011 and 2010 respectively.

International Trade and Exhibitions (JV) Limited

Notes to the accounts Year ended 30 September 2011

18. Share-based payments (continued)

The inputs into the Black-Scholes Option Pricing model are as follows

	2011 Performance share plan	2011 Share Option plan	2010 Performance share plan	2010 Share Option plan
Weighted average share price	1p	231p	1p	128p
Weighted average exercise price	1p	231p	1p	126.5p
Expected volatility	40.4%	40.4%	41.53%-41.61%	41.53%
Expected life	4 years	4 years	4 years	4 years
Risk free rate	2.21%	2.21%	1.76%-2.60%	2.55%
Dividend yield	2.6%	2.6%	3.40%	3.40%

19. Contingent liabilities

At 30 September 2011 the Company had no material contingent liabilities (2010: £nil)

20. Derivatives

As at 30 September 2011 the Company has derivatives which are not included at fair value in the accounts

	2011 €000	2011 £000	2010 €000	2010 £000
	Nominal	Fair value	Nominal	Fair value
<i>Derivative assets</i>				
Foreign currency forward contracts	28,250	300	52,900	1,129
<i>Derivative liabilities</i>				
Foreign currency forward contracts	66,400	977	46,800	663

The Company utilises currency derivatives to hedge significant highly probable forecast transactions and cash flows. During the year the Company has been party to foreign currency forward contracts in the management of its exchange rate exposures to highly probable forecast Euro currency receipts. The instruments purchased are denominated in Euros.

International Trade and Exhibitions (JV) Limited

Notes to the accounts

Year ended 30 September 2011

20 Derivatives (continued)

As at 30 September 2011 the notional amounts of outstanding foreign currency forward contracts that the Company has committed to amounted to €94.7 million. These arrangements are designed to address significant exchange exposures for the next 36 months and are renewed on a revolving basis as required, subject to not committing the Company to less than six months or more than 36 months in the future.

At 30 September 2011, the fair value of these derivatives is estimated to be a liability of approximately £0.7 million (2010: asset of £0.5 million). These amounts are based on market valuations.

The Group has taken out foreign currency overdrafts in Euros and US Dollars to act as a natural hedge against certain currency trade receivable balances. These borrowings have not been designated as hedging instruments by management. All foreign exchange movements on these borrowings and trade receivables are recognised directly in the income statement.

21. Financial commitments

Annual commitments under non cancellable operating leases are as follows:

	2011 £000	2010 £000
Land and buildings		
Expiry date after five years	441	441

22. Related party transactions

During the year the Company has transacted with Kyzyl Tan Consultants Limited, of which Edward Strachan is a director. In total the services charged to the Company were £687,000 (2010: £760,000). No amounts were owed at 30 September 2011 (2010: £Nil).

The company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard No. 8, Related Party Transactions, not to disclose transactions with other members of the group headed by ITE Group Plc.

23. Ultimate parent company

The Company is a subsidiary undertaking of ITE Enterprises Limited, a Company incorporated in Great Britain and registered in England and Wales. The smallest and largest group in which the results of International Trade and Exhibitions (JV) Limited are consolidated is that headed by ITE Group Plc (registered office: 105 Salusbury Road, London NW6 6RG). The accounts of ITE Enterprises Limited and the consolidated accounts of ITE Group Plc may be obtained from ITE Group Plc at the same address.

International Trade and Exhibitions (JV) Limited

Notes to the accounts Year ended 30 September 2011

24 Reserves and reconciliation of shareholder's funds

	Share capital £000	Profit and loss account £000	Merger reserve £000	Total £000	2010 £000
At 1 October 2010	1	5,059	-	5,060	(1,409)
Profit/(loss) for the financial period	-	(1,341)	-	(1,341)	6,095
Disposal to fellow subsidiary	-	-	(580)	(580)	-
Capital contribution	-	443	-	443	374
Dividends	-	(5,000)	-	(5,000)	-
At 30 September 2011	<u>1</u>	<u>(839)</u>	<u>(580)</u>	<u>(1,418)</u>	<u>5,060</u>

The disposal of certain intangible assets during the year (see note 11) meets the requirements for using merger accounting and therefore the difference between the net book value of the assets disposed and the consideration received has been taken to merger reserve