

eFinancialNews Limited
Annual report and financial statements
for the year ended 3 July 2011

Registered number 03089347



Contents

Directors and advisors	.	1
Directors' report	.	2-4
Statement of Directors' responsibilities	.	5
Independent auditors' report	.	6
Profit and loss account	.	7
Balance sheet	.	8
Notes to the financial statements	.	9-18

Directors and advisors

Directors

Adam Tuckman
John Galvin

Secretary

Carla Stone

Auditor

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Registered Number

03089347

eFinancialNews Limited
Registration No. 03089347

Directors' report
For the year ended 3 July 2011

The Directors present their independently audited financial statements for the 53 weeks ended 3 July 2011 ("the year")

Principal activities

The principal activity of the Company is that of publishing the Financial News weekly newspaper and associated website (www.eFinancialnews.com) In addition the Company organises events under the Financial News brand and also publishes the weekly Private Equity News

Business review

The results for the year ended 3 July 2011 are set out in the profit and loss account

The ongoing fallout from the financial crisis continued to pose significant challenges and opportunities for Financial News

Our editorial coverage was unmatched by our rivals and our depth of analysis and understanding saw huge demand for our products We continued to see growth in our online traffic and demand for subscriptions grew in both print and online However, the advertising and events business were subdued during the year, as many clients remain uncertain over the outlook for the economic and business environment

During the year, we refocused the Company and concentrated our resources on our core business, the print and on-line editions of Financial News We expect strong growth in fiscal year 2012 and beyond across subscriptions sales, advertising, sponsorship and events

The key measures tracked by the business are turnover and operating income Turnover for the year ended 3 July 2011 was £9,841,000 (27 June 2010 - £9,444,000) and operating profit before exceptional items was £1,977,000 (27 June 2010 – loss of £98, 000)

The Directors do not propose payment of a dividend in respect of 2011 (2010 £nil)

Going concern

The Company is expected to generate positive cash flows on its own account for the foreseeable future As such the directors deem it appropriate to continue to adopt the going concern basis to prepare the annual financial statements The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries The Company also benefits from services provided by other group companies and is therefore sensitive to changes within the Dow Jones group

To provide further reassurance to the Directors of eFinancialNews Limited in its adoption of the going concern basis, a letter of support has been received from News Corporation, its ultimate parent undertaking

Principal risks and uncertainties facing the business

The management of the business and the execution of the Company's strategy are subject to a number of risks The key business risks affecting the Company are set out below

eFinancialNews Limited
Registration No. 03089347

Directors' report

For the year ended 3 July 2011 (continued)

Competition

The Company operates in a competitive market particularly around advertising, sponsorship and subscriptions. Though the Board does not consider there to be any direct competitors in the European wholesale financial markets, the Company seeks to maintain its competitive advantage through

- Quick response to trends within the marketplace
- Maintenance of editorial standards of the highest quality
- Regular market research into activities of other publications that service similar audiences

Market risk

As a significant portion of revenues crystallise from institutions within the wholesale financial market place, a persistent major downturn in this sector could have a significant adverse impact on the Company's trading position. The Company manages this risk through the continuous diversification of

- Its geographical footprint
- Revenue streams
- Customer base

Retention of key staff members

The resignation of key individuals and the inability to recruit suitable replacements with the right skills and experience could adversely impact on the Company's trading. To mitigate this risk the Company has in place annual bonus schemes for all key staff. Such schemes are reviewed annually in line with market trends.

Risk of libel

Libel action could result in damage to the Company's reputation. The Company has in place a number of procedures including internal review and obtaining of specialist legal advice for specific instances where risk is perceived. The Company's insurance covers libel actions.

Financial risk management

The Company's operations expose it to levels of financial risk that include the effects of credit risk. The Company has no debt and has sufficient cash reserves to fund current and future operations and is, therefore, not subject to significant exposure to interest rate risk or liquidity risk. As most of the Company's clients are institutions operating within the European wholesale financial sector the Directors consider credit risk to be low.

Given the size of the Company, the Directors have not delegated the responsibility of 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.

Directors

The following Directors held office throughout the period unless otherwise noted

Adam Tuckman	
Susan Needle	(Resigned 16 June 2011)
James Rhyu	(Resigned 13 June 2011)
Andrew Langhoff	(Resigned 11 October 2011)
John Galvin	(Appointed 16 June 2011)

eFinancialNews Limited
Registration No. 03089347

Directors' report

For the year ended 3 July 2011 (continued)

Directors and Officers Indemnity Insurance

The ultimate holding company, News Corporation, maintains liability insurance for its directors and officers and those of its subsidiary companies throughout the world. This cover, together with that taken out by certain subsidiaries, where relevant, indemnifies all employees of the group who serve on the boards of all subsidiaries, associates and joint ventures. These indemnity policies subsisted throughout the period and remain in place at the date of this report.

Charitable contributions

During the period the Company made charitable donations of £310 (27 June 2010: £nil).

Re-appointment of Auditors

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the reappointment of Ernst & Young LLP as auditors of the Company.

Statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving this report are listed above. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of his knowledge and belief, there is no information relevant to the preparation of this report of which the Company's auditors are unaware, and
- he has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



John Galvin
Director
26 January 2012

eFinancialNews Limited

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and 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 that period.

In preparing those 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
- 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 proper 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 to 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF eFinancialNews LIMITED

We have audited the financial statements of eFinancialNews Limited for the year ended 3 July 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 20. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements 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 3 July 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 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.

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.

Ernst & Young LLP

*Tony McCartney (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor Cambridge
26 January 2012*

eFinancialNews Limited

Profit and loss account

For the year ended 3 July 2011

	<i>Note</i>	Year ending 3 July 2011 £'000	Year ending 27 June 2010 £'000
Turnover	2	9,841	9,444
Cost of sales		(4,395)	(5,510)
Gross profit		5,446	3,934
Other operating charges		(3,469)	(4,032)
Operating profit/(loss) before exceptional items		1,977	(98)
Exceptional items	6	(250)	(513)
Operating profit/(loss)	5	1,727	(611)
Interest receivable	8	165	206
Profit/(loss) on ordinary activities before taxation		1,892	(405)
Tax (charge)/credit on profit/(loss) on ordinary activities	7	(553)	404
Profit/(loss) on ordinary activities after taxation	15	1,339	(1)

There are no gains and losses other than the profit for the year of £1,339,000 (2010 loss for year £1,000) All activities of the Company are derived from continuing operations

Notes 1 to 20 form part of these financial statements

eFinancialNews Limited

Balance sheet

As at 3 July 2011

		3 July 2011	27 June 2010
	Note	£'000	£'000
Non-current assets			
Debtors	11	6,734	6,526
Tangible fixed assets	10	1,228	1,393
		<u>7,962</u>	<u>7,919</u>
Current assets			
Debtors	11	10,776	9,527
Cash at bank and in hand		468	368
		<u>11,244</u>	<u>9,895</u>
Current liabilities			
Creditors amounts falling due within one year	12	(4,516)	(4,356)
Provisions	13	(383)	(461)
		<u>(4,899)</u>	<u>(4,817)</u>
Net current assets		<u>6,345</u>	<u>5,078</u>
Net assets		<u>14,307</u>	<u>12,997</u>
Capital and reserves			
Called up share capital	14	2,906	2,906
Share premium	15	5,554	5,554
Profit and loss account	15	5,847	4,537
Equity shareholders' funds	16	<u>14,307</u>	<u>12,997</u>

Approved by the Board on and signed on its behalf by



John Galvin
Director

Date 26 January 2012

eFinancialNews Limited

Notes to the financial statements

For the year ended 3 July 2011

1 Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention on the going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. In accordance with Section 401 of the Companies Act 2006 there is no requirement for the Company to prepare consolidated accounts as its ultimate parent, News Corporation in the USA, prepares publicly available consolidated accounts which include the results of the Company.

Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements with its parent and fellow subsidiaries. A proportion of the Companies revenues are derived from services rendered to other group companies and is therefore sensitive to changes within the rest of the Dow Jones group.

To provide further reassurance to the Directors of eFinancialNews Limited in its adoption of the going concern basis, a letter of support has been received from News Corporation, its ultimate parent undertaking.

Cash Flow Exemption

The Company has taken advantage of the exemption offered in Financial Reporting Standard No 1 (revised) "Cash Flow Statements" not to present a cash flow statement because it is a wholly owned subsidiary undertaking where the ultimate parent company produces consolidated financial statements which are publicly available.

Turnover

Turnover, which is stated net of VAT and trade discounts, represents gross amounts invoiced to clients in respect of newspaper sales, newspaper and website subscriptions, advertising and other related services. Revenue earned from subscriptions is recognised over the period to which the subscription relates with paid but unearned subscriptions being shown as deferred income. Advertising revenue is recognised at the date of publication. Conferences and training revenue is recognised in the month the event is held.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs less estimated residual value accumulated for each asset over its expected useful life, as follows:

Leasehold improvements	10-40 years straight line
Computer equipment	3-10 years straight line
Office equipment	3-10 years straight line

Assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Deferred Taxation

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

Deferred taxation is accounted for in line with FRS 19 "*Deferred Taxation*", and is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

eFinancialNews Limited

Notes to the financial statements

For the year ended 3 July 2011

1 Accounting policies (continued)

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average rate ruling over the relevant month. All differences are taken to the profit and loss account.

Operating leases

The cost of operating leases is charged on a straight line basis over the lease term.

Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award.

Fair value is determined using an appropriate pricing model. In valuing equity settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions). No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or, in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Finance income and finance costs

Interest income and interest expense is accrued on a time basis by reference to the amount outstanding and at the effective rate of interest applicable.

Investments

Investments are stated at cost, less any provision for impairment.

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

2 Turnover

An analysis of turnover by destination is shown below

	Year ended 3 July 2011 £'000	Year ended 27 June 2010 £'000
United Kingdom	6,445	6,859
Europe	1,715	1,410
USA and rest of the world	1,681	1,175
	<u>9,841</u>	<u>9,444</u>

3 Employee information

	Year ended 3 July 2011 £'000	Year ended 27 June 2010 £'000
Wages and salaries	3,681	4,584
Social security costs	400	478
Defined contribution pension costs	314	413
Share based payments	-	39
	<u>4,395</u>	<u>5,514</u>

The average number of persons (including Directors) employed during the year was

	Year ended 3 July 2011 Number	Year ended 27 June 2010 Number
Production	62	69
Administration	11	19
	<u>73</u>	<u>88</u>

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

4 Directors' emoluments

	Year ended 3 July 2011 £'000	Year ended 27 June 2010 £'000
Aggregate emoluments (excluding pension costs)	314	231
Value of company pension contributions to money purchase schemes	-	19
	<u>314</u>	<u>250</u>
Highest paid director		
Aggregate emoluments (excluding pension costs)	314	231
Value of company pension contributions to money purchase schemes	-	19
	<u>314</u>	<u>250</u>

No Directors exercised share options during the period

Directors' emoluments of £313,805 relating to the UK director Andrew Langhoff were borne by other UK companies

The emoluments relating to James Rhyu, Sue Needle and Adam Tuckman, were borne by Dow Jones and Co Inc. The amounts that would have been allocated to the Company are deemed not to be material and are not disclosed

5 Operating profit/ (loss)

The operating profit/(loss) is stated after charging/(crediting)

	Year ended 3 July 2011 £'000	Year ended 27 June 2010 £'000
Depreciation of tangible fixed assets	183	73
Auditor's remuneration		
- audit services	25	25
Operating lease charges - land and buildings	514	239
Foreign exchange loss	1,307	567
(Gain)/loss on disposal of tangible fixed assets	<u>(1)</u>	<u>74</u>

6 Exceptional items

	Year ended 3 July 2011 £'000	Year ended 27 June 2010 £'000
Redundancy payments following restructuring	<u>250</u>	<u>513</u>
	<u>250</u>	<u>513</u>

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

7 Tax on profit/(loss) on ordinary activities

(a) Analysis of charge/(credit) for the period

The tax charge/(credit) is made up as follows	Year ended 3 July 2011 £ '000	Year ended 27 June 2010 £ '000
<i>Current tax</i>		
UK corporation tax at 27.5% (2010: 28%)	512	-
Adjustments in respect of prior periods	-	(445)
Total current tax (note 7(b))	<u>512</u>	<u>(445)</u>
<i>Deferred tax</i>		
Adjustments in respect of prior periods	(7)	20
Origination and reversal of timing differences	43	-
Effect of change in tax rates	5	21
Total deferred tax	<u>41</u>	<u>41</u>
Tax on profit/(loss) on ordinary activities	<u>553</u>	<u>(404)</u>

b) Total current tax charge/(credit) for the period

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 27.5% (2010: 28%). The differences are reconciled below

	Year ended 3 July 2011 £ '000	Year ended 27 June 2010 £ '000
Profit/(loss) on ordinary activities before tax	<u>1,892</u>	<u>(405)</u>
Profit/(loss) on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 27.5% (2010: 28%)	520	(113)
(Accelerated)/decelerated capital allowances	(26)	7
Expenses not deductible for tax purposes	36	3
Other timing differences	(18)	(25)
Group relief surrendered for nil payment	-	128
Adjustments in respect of prior periods	-	(445)
Total current tax (note 7(a))	<u>512</u>	<u>(445)</u>

c) Deferred taxation assets

	Year ended 3 July 2011 £ '000
Deferred taxation	
At 27 June 2010	89
Debited to the profit and loss account (note 7(a))	(41)
At 3 July 2011	<u>48</u>

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

7 Tax on profit/(loss) on ordinary activities (continued)

Deferred taxation included in the financial statements as follows

	Year ended 3 July 2011 £ '000	Year ended 27 June 2010 £ '000
Decelerated capital allowances	43	62
Other timing differences	5	27
	<u>48</u>	<u>89</u>

The deferred tax asset is disclosed in debtors (note 11)

At 3 July 2011, the UK government had substantively enacted a reduction in the main rate of corporation tax to 26% from 1 April 2011

The Finance Act 2011 enacted a further reduction in the main rate of corporation tax to 25% from 1 April 2012 and the UK government has proposed reducing the UK corporation tax rate by a further 1% per annum to 23% from 1 April 2014. These changes had not been substantively enacted at the balance sheet date and consequently their effects are not included in these financial statements

The Finance Act 2011 also enacted a reduction from 1 April 2012 in the rate of capital allowances applicable to plant and machinery and to integral features from 20% to 18% and from 10% to 8% respectively

8 Interest receivable

	Year ended 3 July 2011 £'000	Year ended 27 June 2010 £'000
Intercompany	165	206
	<u>165</u>	<u>206</u>

9 Investments

	Country of incorporation or registration	Class	Shares held	Nature of business
eFinancial News, Inc	USA	Ordinary	100%	Financial publishing

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

10 Tangible fixed assets

	Leasehold improvements £'000	Computer equipment £'000	Office equipment £'000	Assets under construction £'000	Total £'000
Cost					
At 27 June 2010	451	342	275	678	1,746
Additions	394	27	275	(678)	18
Disposals	-	(30)	-	-	(30)
At 3 July 2011	845	339	550	-	1,734
Depreciation					
At 27 June 2010	6	295	52	-	353
Charge for the year	84	46	53	-	183
Disposals	-	(30)	-	-	(30)
At 3 July 2011	90	311	105	-	506
Net book value					
At 3 July 2011	755	28	445	-	1,228
At 27 June 2010	445	47	223	678	1,393

11 Debtors

	3 July 2011 £'000	27 June 2010 £'000
Current		
Trade debtors	1,860	2,197
Other debtors	141	250
Amounts owed by group undertakings	8,007	5,830
Amounts owed by parent	165	206
Corporation tax	410	907
Deferred tax asset	48	89
Prepayments and accrued income	146	48
	10,777	9,527
Non-current		
Amounts owed by parent*	6,734	6,526
	6,734	6,526

All deferred tax is expected to be recoverable after more than one year

* The loan is an unsecured revolving credit facility bearing interest at the Base Rate of the Royal Bank of Scotland plc as at 1 January plus 2.50% per annum (27 June 2010 Base Rate of the Royal Bank of Scotland plc as at 1 January plus 2.50% per annum)

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

12 Creditors: amounts falling due within one year

	3 July 2011 £'000	27 June 2010 £'000
Trade creditors	374	328
Other creditors	23	4
Other taxation and social security	390	425
Accruals and deferred income	3,729	3,599
	<u>4,516</u>	<u>4,356</u>

13 Provisions

	3 July 2011 £'000	27 June 2010 £'000
Dilapidations provision	<u>383</u>	<u>461</u>
	<u>383</u>	<u>461</u>
Current	54	241
Non-current	<u>329</u>	<u>220</u>
	<u>383</u>	<u>461</u>

The dilapidations provision represents management's best estimate of the Company's liability relating to the termination of the Stapleton House lease

14 Share capital

	3 July 2011 £'000	27 June 2010 £'000
Authorised		
5,000,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid		
2,905,725 ordinary shares of £1 each (2010 2,905,725 ordinary share of £1 each)	<u>2,906</u>	<u>2,906</u>

15 Reserves

	Share Premium £'000	Profit and loss account £'000
As at 27 June 2010	5,554	4,537
Charge in relation to equity settled shared based payments	-	(2)
Management recharge in relation to equity based payments	-	(27)
Profit for the year	-	1,339
As at 3 July 2011	<u>5,554</u>	<u>5,847</u>

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

16 Reconciliation of movements in equity shareholders' funds

	3 July 2011 £ '000	27 June 2010 £ '000
Opening Shareholders' funds	12,997	13,044
Retained profit/(loss) for the year	1,339	(1)
Management recharge in relation to equity based payments	(27)	(85)
Charge in relation to equity settled shared based payments	(2)	39
Closing Shareholders' funds	14,307	12,997

17 Financial commitments

At 3 July 2011 the Company had annual commitments under non-cancellable operating leases as follows

	3 July 2011 £ '000	27 June 2010 £ '000
Expiry date		
Within one year	-	34
Between two and five years	94	124
Over five years	318	-

18 Related party transactions

During the year the Company entered into transactions in the ordinary course of business, with related parties, as defined in FRS 8 Transactions entered into and trading balances outstanding as at 3 July 2011, are as follows

	Sales to related party £000's	Purchases from related party £000's	Amounts owed from related party £000's	Amounts owed to related party £000's
<i>Related Party</i>				
eFinancialNews Holdings Limited				
2011	165	-	6,898	-
2010	206	-	6,732	-
Dow Jones and Company Inc				
2011	-	202	4,043	-
2010	-	-	463	-
Factiva Limited				
2011	100	-	101	-
2010	91	-	3	-
Dow Jones International Limited				
2011	-	1,289	4,004	-
2010	-	390	5,374	-
Wall Street Journal Europe SPRL				
2011	-	-	-	140
2010	-	27	-	1

eFinancialNews Limited

Notes to the financial statements (continued)

For the year ended 3 July 2011

19 Equity settled share based payments

In February 2008 certain employees were awarded Restricted Stock Units (RSU's) under the News Corporation 2005 long term incentive plan (LTIP). They are equity based awards and will vest if the employee remains in service for a period of three years from the date granted. There are no performance conditions attached to these grants.

	News Corp RSU No 2011	News Corp RSU No 2010
News Corporation RSU's		
Opening Balance	7,999	9,317
Granted	-	-
Forfeited/cancelled	(1,249)	(1,318)
Settled	(6,750)	-
Closing Balance	-	7,999

20 Ultimate controlling party

In the directors' opinion the Company's ultimate parent undertaking and controlling party is News Corporation which is incorporated in the USA.

The Company's immediate parent company is eFinancialNews Holdings Limited, a company incorporated in the United Kingdom.

The largest group in which the results of the Company are consolidated is that headed by News Corporation whose principal place of business is 1211 Avenue of the Americas, New York, NY 10036. The smallest group in which they are consolidated is that headed by Dow Jones & Company, Inc. whose principal place of business is 1211 Avenue of the Americas, New York, NY 10036.