

# **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2012**

FRIDAY



\*L29IG6VE\*

LD5

31/05/2013

#50

COMPANIES HOUSE

---

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **CONTENTS**

	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2 - 4</b>
<b>Directors' responsibilities statement</b>	<b>5</b>
<b>Independent auditor's report</b>	<b>6 - 7</b>
<b>Profit and loss account</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10 - 19</b>

---

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

K B Bohlin  
L F Gell (resigned 30 April 2013)  
R J J Hopley  
P S Rigby  
A C Walker  
G R Wright

#### **SECRETARY**

E L Martin  
J L Woollard

#### **REGISTERED NUMBER**

3094797

#### **REGISTERED OFFICE**

Mortimer House  
37 - 41 Mortimer House  
London  
W1T 3JH

#### **AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
2 New Street Square  
London  
United Kingdom  
EC4A 3BZ

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

The Directors present their report and the financial statements for the year ended 31 December 2012

#### **PRINCIPAL ACTIVITIES**

The principal activity of the Company is the provision of financial information

#### **BUSINESS REVIEW**

The Company's main source of revenue is through the provision of real-time analysis of the financial markets, giving coverage of the global foreign exchange, sovereign fixed income, credit, derivatives and emerging markets. Both the level of the business and the year-end financial position were satisfactory.

The Company made a profit before taxation of £8,791,000 (2011: £10,511,000) and an operating margin of 39.0% (2011: 44.3%). The Directors expect the general level of activity to continue in the future years.

The key performance indicators include

	2012	2011
Turnover	£16,482,000	£18,400,000
Operating profit	£6,427,000	£8,148,000
Operating profit %	39.0%	44.3%

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

A number of factors affect the Company's operating results and financial condition. In common with other information providers, the profitability of the Company depends in part on the prevailing economic environment and the strength of the business customers to which it sells. In addition, it is dependent on maintaining a strong and highly motivated management team, maintaining brand reputation, quality of information and its ability to protect the security of its marketing databases.

The Company's businesses are increasingly dependent on electronic platforms and distribution systems, primarily the internet, for delivery of their products and services. The Company's ability to use the internet may be impaired due to infrastructure failures, service outages at third party internet providers or increased government regulation. If disruptions, failures, or slowdowns of the Company's electronic delivery systems or the internet occur, its ability to distribute its products and services effectively and to serve its customers may be adversely affected.

The valuation of intangible assets could be affected by deterioration in economic conditions. A reduction in the valuation of intangibles could cause a material reduction in profit.

The failure to attract and retain key employees could seriously impede the objectives of the Company. The success of the Company depends to a substantial extent not only on the ability and experience of its senior management but also on the individuals and teams that service its customers and maintain its client relationships. The Directors believe that the Company's future success will depend, to a large degree, on its ability to attract and retain additional highly skilled and qualified personnel and to expand, train, manage and motivate its employees.

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **GOING CONCERN**

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 financial statements as set out in note 1.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's activities expose it to a number of financial risks including credit risk and cash flow risk. The Company does not use derivative financial instruments.

##### **Credit risk**

The Company's principal financial assets are trade, intercompany and other receivables. The Company's credit risk is primarily attributable to these receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the assets.

##### **Cash flow risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates primarily in relation to the US dollar and Euro. A strong sterling compared to other currencies will reduce the sterling reported revenue for services not billed in sterling and also will decrease demand from overseas for services billed in sterling.

#### **DIVIDENDS**

The Directors do not recommend the payment of an ordinary dividend for the year ended 31 December 2012 (2011: £nil).

#### **DIRECTORS**

The Directors who held office during the year and up to the date of this report, were as follows:

K B Bohlin  
L F Gell (resigned 30 April 2013)  
R J J Hopley  
P S Rigby  
A C Walker  
G R Wright

#### **DIRECTORS' INDEMNITIES**

The Informa group has made qualifying third-party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

#### **SUPPLIER PAYMENT POLICY**

The Company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, to ensure that suppliers are made aware of the terms of payment and abide by the terms, provided that the supplier has provided the goods or services in accordance with the relevant terms and conditions. Trade creditors at the year end represented 5 days (2011: 3 days) of purchases.

#### **CHARITABLE AND POLITICAL CONTRIBUTIONS**

During the year the Company made charitable donations of £nil (2011: £nil). No political contributions were made during the current or prior year.

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **DISABLED EMPLOYEES**

The Company believes in equal opportunity for all employees based on merit and that no employee or job applicant should receive less favourable treatment on the grounds of age, sex, marital status, disability, colour, race, religion, nationality or ethnic origin

The Company's business operations are all disabled friendly. The Company employment policy is to give full and fair consideration to applications from people with disabilities, having regard to their particular aptitudes and abilities. If an employee becomes disabled, the Company objective is the continued provision of suitable employment, either in the same or an alternative position, with appropriate training being given if necessary. Employees with disabilities share in equal opportunities for training, promotion and career development.

#### **EMPLOYEE CONSULTATION**

The Company places considerable value on the involvement of its employees and continues to keep them informed on matters affecting them as employees and on various factors affecting the performance of the Informa group. This is achieved principally through formal and informal meetings, email updates and via the Informa group global intranet site, which is regularly updated and includes a facility enabling employees anonymously to ask questions of executive management to which answers are also published. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

All UK employees are eligible to participate in the Informa plc Share Incentive Plan, an Inland Revenue Approved All Employee Share Incentive Plan offering UK employees the opportunity to purchase annually up to £1,500 of shares in Informa plc out of pre-tax salary.

#### **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/herself 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 has indicated their willingness to be reappointed as auditor and they will be reappointed in accordance with the Companies Act 2006.

Approved by the Board and signed on its behalf by



J L Woollard  
Secretary  
29 May 2013  
Mortimer House  
37 - 41 Mortimer House  
London  
W1T 3JH

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012**

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

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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.

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

We have audited the financial statements of Informa Global Markets (Europe) Limited for the year ended 31 December 2012, which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. 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, 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 Directors' 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 31 December 2012 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.



**INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INFORMA GLOBAL MARKETS (EUROPE) 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



Ian Waller (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

29 May 2013

# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £000	2011 £000
<b>TURNOVER</b>	2	16,482	18,400
Cost of sales		(4,067)	(4,160)
<b>GROSS PROFIT</b>		12,415	14,240
Administrative expenses		(5,988)	(6,092)
<b>OPERATING PROFIT</b>		6,427	8,148
Interest receivable and similar income	3	2,372	2,363
Interest payable and similar charges	4	(8)	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	8,791	10,511
Tax charge on profit on ordinary activities	8	(2,444)	(3,129)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	15	6,347	7,382

All results are derived from continuing operations

There were no recognised gains or losses in either the current or prior year other than those shown in the above profit and loss account, accordingly no statement of total recognised gains and losses is presented

**INFORMA GLOBAL MARKETS (EUROPE) LIMITED**  
**REGISTERED NUMBER: 3094797**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2012**

	Notes	£000	2012 £000	£000	2011 £000
<b>FIXED ASSETS</b>					
Intangible assets	10		11,180		12,452
Tangible assets	11		432		106
			<u>11,612</u>		<u>12,558</u>
<b>CURRENT ASSETS</b>					
Debtors amounts falling due within one year	12	73,158		66,764	
<b>CREDITORS</b> amounts falling due within one year	13	(15,124)		(16,053)	
<b>NET CURRENT ASSETS</b>			<u>58,034</u>		<u>50,711</u>
<b>NET ASSETS</b>			<u>69,646</u>		<u>63,269</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		10		10
Share option reserve	15		65		60
Share premium account	15		88		88
Profit and loss account	15		69,483		63,111
<b>SHAREHOLDERS' FUNDS</b>			<u>69,646</u>		<u>63,269</u>

The financial statements were approved by the board of Directors and authorised for issue on 29 May 2013

They were signed on its behalf by



G R Wright  
Director

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted accounting practices).

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly-owned subsidiary and the Company's voting rights are controlled within the Group headed by Informa plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements of Informa plc, within which this Company is included, can be obtained from the address given in note 19.

##### **Going concern**

The Company is a 100% subsidiary of Informa plc. In reaching their decision to prepare the accounts on a going concern basis, the Directors have considered the impact of the current economic climate on both the Company and also the Group of which it is a member.

Having given due consideration to the above factors and the anticipated future performance of the Company, taking into account reasonably possible changes in trading performance in light of uncertainty related to current unfavourable economic conditions, the Directors have been able to form a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

##### **Intangible assets**

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, rights, trade names and licences is capitalised and written off on a straight-line basis over its useful economic life which is no more than 20 years. Provision is made for any impairment.

Intangible software assets are capitalised and amortised on a straight-line basis over their useful economic life which is between 3 and 5 years. Provision is made for any impairment.

##### **Tangible fixed assets**

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

Leasehold Property	-	Length of lease (to first break clause)
Fixtures, fittings and equipment	-	3 - 5 years

Residual value is calculated on prices prevailing at the date of acquisition.

## **INFORMA GLOBAL MARKETS (EUROPE) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **1 ACCOUNTING POLICIES (continued)**

##### **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 tax 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 at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is the deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

##### **Turnover**

Turnover is stated net of VAT and trade discounts. Revenue on subscription-based products is deferred and recognised in turnover over the period of the subscription

##### **Pension costs**

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

##### **Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. The translation differences are reported in the profit and loss account

##### **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. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used

## INFORMA GLOBAL MARKETS (EUROPE) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

#### 1 ACCOUNTING POLICIES (continued)

##### Share-based payment

The Company issues equity settled share-based payments to certain employees. A fair value for the equity settled share awards is measured at the date of grant. The fair value is measured using the Binomial or Monte Carlo models of valuation, which are considered to be the most appropriate valuation techniques. The valuation takes into account factors such as non-transferability, exercise restrictions and behavioural considerations. The charge for the share-based payments is apportioned between the group companies and accounted for as a cost in the subsidiary funded by the capital contribution from the parent.

An expense is recognised to spread the fair value of each award over the vesting period on a straight-line basis, after allowing for an estimate of the share awards that will actually vest. The estimate of vesting is reviewed annually, with any impact on the cumulative charge being recognised immediately.

#### 2 TURNOVER

##### By geographical market

	2012 £000	2011 £000
United Kingdom	5,652	6,047
Continental Europe	10,628	12,055
Rest of World	202	298
Total	<u>16,482</u>	<u>18,400</u>

All turnover originates from one class of business which is the provision of financial information and originates principally from the United Kingdom.

#### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2012 £000	2011 £000
Interest from group undertakings	<u>2,372</u>	<u>2,363</u>

#### 4 INTEREST PAYABLE

	2012 £000	2011 £000
Interest to group undertakings	<u>8</u>	<u>-</u>

# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	2012 £000	2011 £000
Exchange loss	139	2
Depreciation	74	51
Operating lease rentals		
- plant and machinery	3	7
- other	361	267
Amortisation	1,322	1,328
	<u>1,322</u>	<u>1,328</u>

In 2012 £7,000 (2011 £nil) was charged in relation to redundancy costs

The fees payable to the Company's auditor for the audit of the financial statements of £14,514 (2011 £15,130) were borne by another group company

### 6. STAFF COSTS

The average monthly number of employees, (including executive Directors) was

	2012 Number	2011 Number
Management	1	1
Editorial and production	31	31
Marketing and promotion	6	6
Finance and administration	9	8
	<u>47</u>	<u>46</u>

Their aggregate remuneration comprised

	2012 £000	2011 £000
Wages and salaries	2,508	2,730
Social security costs	303	326
Share-based payment costs (see note 9)	41	32
Pension costs (see note 18)	100	93
Redundancy costs	7	-
	<u>2,959</u>	<u>3,181</u>

# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 7 DIRECTORS' REMUNERATION

	2012 £000	2011 £000
Emoluments	309	566
Company contributions to money purchase pension scheme	14	13
	<u>323</u>	<u>579</u>

	2012 Number	2011 Number
The number of Directors who		
Are members of a money purchase pension scheme	<u>1</u>	<u>1</u>

The emoluments of the highest paid Director were £322,652 (2011 £579,093), of this £13,545 (2011 £12,810) represents company pension contributions made to a defined contribution scheme on their behalf. The highest paid Director exercised no share options during the year (2011 £nil).

The remaining Directors are employed and remunerated by other companies in the Informa Plc group and do not receive any remuneration specifically for their services as directors of the Company.

### 8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2012 £000	2011 £000
<b>Analysis of tax charge in the year</b>		
<b>UK corporation tax</b>		
Current tax on profit for the year	2,434	3,144
Adjustments in respect of prior periods	-	56
<b>Total current tax</b>	<u>2,434</u>	<u>3,200</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	9	4
Rate adjustment	6	3
Adjustments in respect of prior years	(5)	(78)
<b>Total deferred tax</b>	<u>10</u>	<u>(71)</u>
<b>Tax on profit on ordinary activities</b>	<u>2,444</u>	<u>3,129</u>



# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 8 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

#### Factors affecting the tax charge for the current year

The current tax charge for the year is higher than (2011 higher than) the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	2012 £000	2011 £000
<b>Current tax reconciliation</b>		
Profit on ordinary activities before tax	8,791	10,511
Current tax at 24.5% (2011 26.5%)	2,154	2,785
<b>Effects of</b>		
Expenses not deductible for tax purposes	322	366
Capital allowances for year in excess of depreciation	(13)	(7)
Other short term timing differences	(29)	-
Adjustments to tax charge in respect of prior periods	-	56
<b>Total current tax charge</b>	<b>2,434</b>	<b>3,200</b>

The current tax charge for the year includes the effect of payments made for group loss transfers, calculated at the prevailing rate of tax

In March 2012 UK government announced its intention to reduce the main rate of corporation tax from 26% to 22% by April 2014. The rate was reduced to 24% with effect from 1 April 2012 and was due to be followed by further reductions of 1% per annum until the target was met. In December 2012 an additional reduction of 1% was announced to reduce the rate to 21% with effect from 1 April 2014. The legislation to reduce the corporation tax rate for the year commencing 1 April 2013 to 23% was substantively enacted on 3 July 2012. Further reductions in the rate were not enacted or substantively enacted at the balance sheet date. Deferred tax has therefore been calculated at the reduced rate of 23%.

### 9. SHARE BASED PAYMENTS

The Company Long-Term Incentive Plans provide for a grant price equal to the average quoted market price of the ultimate parent company shares in the date of grant. The vesting period is three years. The options expire if they remain unexercised after the exercise period has lapsed. Furthermore, options are forfeited if the employee leaves the ultimate holding company's Group before the options vest. The options are equity settled.

#### Long-Term Incentive Plan

The movement during the year is as follows

	2012 Shares	2011 Shares
Opening balance	47,950	71,463
LTIPs vested in the year	(15,547)	-
LTIPs lapsed in the year	(5,463)	(37,053)
LTIPs granted in the year	13,663	13,540
Closing balance	<b>40,603</b>	<b>47,950</b>

# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 9 SHARE BASED PAYMENTS (continued)

Date of grant	Estimated Share fair value	Share price	Exercise price	Expected volatility	Expected (years)	life <sup>2</sup> Risk free rate	Dividend yield
9 April 2008 <sup>1</sup>	£1 56	£3 42	n/a	28 2%	3 0	4 0%	4 9%
4 September 2008 <sup>1</sup>	£3 09	£4 15	n/a	33 5%	3 0	4 4%	4 2%
4 August 2009 <sup>1</sup>	£1 71 <sup>3</sup>	£2 60	£4 35	54 1%	3 0	2 5%	2 8%
	£1 79 <sup>3</sup>						
8 April 2010	£2 67	£3 97	n/a	53 3%	3 0	1 8%	2 9%
	£2 71						
9 March 2011	£2 52 <sup>3</sup>	£4 26	n/a	52 0%	3 0	1 8%	2 6%
	£2 52 <sup>3</sup>						
6 March 2012	£1 88 <sup>3</sup>	£4 18	n/a	32 00%	3 0	0 5%	3 8%
	£2 30 <sup>3</sup>						

<sup>1</sup> Valued using the Monte Carlo Simulation method of valuation

<sup>2</sup> From 1 January of year in which grant made

<sup>3</sup> 50% split of total awards granted

Share awards granted under Long-Term Incentive Plans will be satisfied by existing issued share capital

Expected volatility was determined by calculating the historical volatility of the Group's share price over one, two and three years back from the date of grant. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The Company recognised a total expense of £41,224 (2011 £32,513) related to equity-settled share-based payment transactions in the year ended 31 December 2012.

### 10 INTANGIBLE ASSETS

	Goodwill £000	Software £000	Total £000
<b>Cost</b>			
At 1 January 2012	17,683	167	17,850
Additions	-	50	50
At 31 December 2012	17,683	217	17,900
<b>Amortisation</b>			
At 1 January 2012	5,240	158	5,398
Charge for the year	1,310	12	1,322
At 31 December 2012	6,550	170	6,720
<b>Net book value</b>			
At 31 December 2012	11,133	47	11,180
At 31 December 2011	12,443	9	12,452

# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 11. TANGIBLE FIXED ASSETS

	Short leasehold property £000	Fixtures, fittings and equipment £000	Total £000
<b>Cost</b>			
At 1 January 2012	5	358	363
Additions	268	132	400
Disposals	-	(186)	(186)
At 31 December 2012	273	304	577
<b>Depreciation</b>			
At 1 January 2012	5	252	257
Charge for the year	4	70	74
Disposals	-	(186)	(186)
At 31 December 2012	9	136	145
<b>Net book value</b>			
At 31 December 2012	264	168	432
At 31 December 2011	-	106	106

### 12. DEBTORS

	2012 £000	2011 £000
<b>Amounts falling due within one year:</b>		
Trade debtors	2,188	1,489
Amounts owed by group undertakings	70,799	65,153
Prepayments and accrued income	94	49
Deferred tax asset	61	71
Other debtors	16	2
	73,158	66,764

Of the amounts owed by group undertakings £366,000 (2011 £153,000) bears interest at LIBOR minus 0.5%, £62,000,000 (2011 £nil) bears interest at 3.0%, £nil (2011 £65,000,000) bears interest at 3.5% and £8,433,000 (2011 £nil) is non-interest bearing

	2012 £000	2011 £000
<b>Deferred taxation</b>		
At 1 January	71	-
(Charged)/credited to the profit and loss account	(10)	71
At 31 December	61	71
The deferred tax provision is made up of		
Accelerated capital allowances	37	69
Short term timing differences	24	2
	61	71

# INFORMA GLOBAL MARKETS (EUROPE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 13 CREDITORS: amounts falling due within one year

	2012 £000	2011 £000
Trade creditors	1,175	388
Amounts owed to group undertakings	8,756	8,733
Corporation tax	2,429	3,137
Social security and other taxes	197	175
Other creditors	892	859
Accruals and deferred income	1,675	2,761
	<u>15,124</u>	<u>16,053</u>

Of the amounts owed to group undertakings £8,756,000 (2011 £8,733,000) is non-interest bearing

### 14. CALLED UP SHARE CAPITAL

	2012 £000	2011 £000
Allotted, called up and fully paid 10,000 ordinary shares of £1 each	<u>10</u>	<u>10</u>

### 15 RESERVES

	Share option reserve £000	Share premium account £000	Profit and loss £000
At 1 January 2012	60	88	63,111
Profit for the year	-	-	6,347
Share based payment (see note 9)	41	-	-
Transfer of 2009 LTIPs vesting	(36)	-	25
	<u>65</u>	<u>88</u>	<u>69,483</u>
At 31 December 2012	65	88	69,483

### 16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £000	2011 £000
Opening shareholders' funds	63,269	55,855
Profit for the year	6,347	7,382
Share based payment (see note 9)	41	32
Transfer of 2009 LTIPs vesting	(11)	-
Closing shareholders' funds	<u>69,646</u>	<u>63,269</u>

## INFORMA GLOBAL MARKETS (EUROPE) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

#### 17 FINANCIAL COMMITMENTS

Annual commitments under non-cancellable operating leases as follows

Expiry date	2012		2011	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Within 1 year	210	3	284	7

At 31 December 2012 the Company had not entered into any capital expenditure that was contracted but not provided for in the financial statements (2011 £nil)

#### 18 RETIREMENT BENEFIT SCHEMES

##### Defined contribution schemes

The Company's employees participate in pension schemes operated by the group for their employees

The total cost charged for the year under the group defined contribution scheme was £100,000 (2011 £93,000). There were no contributions that were due in respect of the current reporting period that had not been paid over to the scheme (2011 £nil).

#### 19 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent undertaking of the Company is Informa Global Markets (US) inc, a company incorporated and registered in the United States

The ultimate parent undertaking and controlling party is Informa plc, a company incorporated in Jersey under the Companies (Jersey) Law 1991. This is the smallest and largest group into which the Company is consolidated. Copies of the group financial statements for Informa plc are available at its principal place of business at Informa plc, Gubelstrasse 11, CH-6300, Zug, Switzerland.