

Financial Express (Holdings) Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

30 September 2011



Company registration No. 3672592

Financial Express (Holdings) Limited

DIRECTORS AND ADVISORS

Directors	M Holland A R B Ward P W La Brooy D Timberlake B Graap
Secretary	P W La Brooy
Company number	3672592
Registered office	7 Chertsey Road Woking Surrey GU21 5AB
Business address	7 Chertsey Road Woking Surrey GU21 5AB
Independent Auditor	Baker Tilly UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB

Financial Express (Holdings) Limited

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Financial Express (Holdings) Limited

DIRECTORS' REPORT

year ended 30 September 2011

The directors present their report and financial statements for the year ended 30 September 2011

PRINCIPAL ACTIVITIES

The principal activity of the group is the collection and provision of financial information and the development of related computer software applications

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The group has produced a good result for the year, with an increase in sales in all the company's main areas of activity. The group's turnover (including a joint venture) increased by 18% to £16m and profit before tax to £1.3m.

The business is focused on delivering services to the investment community – asset managers, life companies and IFAs - and has performed well in a challenging macroeconomic and competitive environment.

The Far East sales offices in Hong Kong and Singapore are growing satisfactorily. The group's 50% investment in Global Funds Registration Ltd showed a small loss due to the startup costs of launching a new product, KiiHub. The company also opened a new data collection office in the Czech Republic to help service the group's sales effort in continental Europe.

During the year the company purchased a 40% investment in eValue FE Ltd. eValue FE Ltd produced a profit before tax of £181k in its first 8 months of operation.

In May 2011, the company repurchased 139,081 "A" shares and 4,447 "B" shares of its issued share capital for a total cost of £1,450,135. The year ended with a healthy balance sheet, no debt and positive cash balances.

The Directors are pleased to report that the financial performance of the business continues to improve in all major respects, a testament to the hard work of the staff.

Research and Development

The group has continued to develop its data, programming and quality systems, obtaining ISO accreditation in major parts of the business, with further accreditation in progress.

The group has continued to invest in its customer support systems and staff in order further to improve its ability in help and training.

Future Outlook

The board has a positive outlook for the future, as the group looks to take advantage of steady trading domestically and further opportunities overseas. Although anticipating further difficult trading conditions in some of its marketplaces, the directors expect to have another satisfactory year.

Financial Express (Holdings) Limited

DIRECTORS' REPORT

year ended 30 September 2011

Principal Risks & Uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks

The principal risks and uncertainties facing the group are reviewed on a regular basis by the Board and actions put in place to mitigate identified risks. As with any web based data/software business, the group has exposure to the following key risks

- A downturn in levels of demand from clients
- A downturn in the overall level of economic activity
- Fraud
- A disaster at any of its sites
- Web attacks on its systems
- Delivery system failures
- Key staff recruitment and retention

The Board has implemented appropriate internal processes in order to mitigate these key risks to business performance

Key Performance Indicators (KPI's)

The group use a large number of KPI's to monitor its performance, the major ones being

- The percentage of prices collected on a daily basis
- The timeliness of other data collected
- The downtime for any of its systems
- The utilisation levels of its communication systems
- The speed of access to its web based products
- The overall web site traffic levels
- The speed of first response to customer queries
- The clearance of queries against targets
- Customer satisfaction surveys
- Sales targets

RESULTS AND DIVIDENDS

The results of the Group are detailed in the profit and loss account. The directors have not recommended an interim dividend (2010 £720,000). The Directors do not recommend a final dividend (2010 £Nil).

DIRECTORS

The following directors have held office since 1 October 2010

- M Holland
- A R B Ward
- B H Graap
- P W La Brooy
- D Timberlake

CHARITABLE DONATIONS

During the year the group made charitable contributions totalling £9,714 (2010 £5,574).

Financial Express (Holdings) Limited

DIRECTORS' REPORT

year ended 30 September 2011

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

By order of the Board



P W La Brooy

19th January 2012

Secretary

7 Chertsey Road
Woking
Surrey GU21 5AB

Financial Express (Holdings) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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 group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FINANCIAL EXPRESS (HOLDINGS) LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 6 to 22. 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 sections 495 and 496 of the Companies Acts 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 September 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Baker Tilly UK Audit LLP

PAUL WATTS
Senior Statutory Auditor
For and on behalf of BAKER TILLY UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

31 January 2012

Financial Express (Holdings) Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2011

	<i>Notes</i>	2011 £'000	2010 £'000
TURNOVER Group and share of joint ventures		16,021	13,503
Less Share of joint venture's turnover	6	(248)	(119)
TURNOVER	1	<u>15,773</u>	<u>13,384</u>
Cost of sales		(989)	(838)
GROSS PROFIT		<u>14,784</u>	<u>12,546</u>
Administrative expenses		(13,647)	(11,119)
OPERATING PROFIT	2	<u>1,137</u>	<u>1,427</u>
Other interest receivable and similar income		68	57
Share of operating profit in associate		75	-
Share of joint venture's operating (loss)/profit	6	(8)	17
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,272</u>	<u>1,501</u>
Tax on profit on ordinary activities	5	(377)	(461)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u><u>895</u></u>	<u><u>1,040</u></u>

All activities are classed as continuing

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

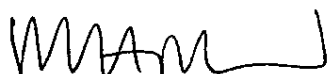
Financial Express (Holdings) Limited

CONSOLIDATED BALANCE SHEET

at 30 September 2010

	Notes	2011 £'000	2010 £'000
FIXED ASSETS			
Intangible assets	7	2,534	2,773
Tangible assets	8	768	517
Investments in associate	6	1,576	-
		<u>4,878</u>	<u>3,290</u>
CURRENT ASSETS			
Debtors	9	5,278	4,653
Cash at bank and in hand		2,858	4,555
		<u>8,136</u>	<u>9,208</u>
CREDITORS amounts falling due within one year	10	(8,809)	(7,674)
NET CURRENT (LIABILITIES)/ASSETS		<u>(673)</u>	<u>1,534</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,205</u>	<u>4,824</u>
NET ASSETS		<u>4,205</u>	<u>4,824</u>
EQUITY SHARE CAPITAL AND RESERVES			
Called up share capital	12	16	18
Share premium account	13	3,935	3,782
Capital redemption reserve	13	5	3
Share based payment reserve	13	5	5
Exchange Reserves	13	(47)	74
Profit and loss account	13	291	942
SHAREHOLDERS' FUNDS	14	<u>4,205</u>	<u>4,824</u>

The financial statements were approved and authorised for issue by the Board on 19th January 2012



M Holland
Director



P La Brooy
Director

Financial Express (Holdings) Limited

COMPANY BALANCE SHEET

at 30 September 2011

Company Reg No 3672592

	Notes	2011 £'000	2010 £'000
FIXED ASSETS			
Investments	6	6,677	5,169
Tangible assets	8	590	411
		<u>7,267</u>	<u>5,580</u>
CURRENT ASSETS			
Debtors	9	1,521	786
Cash at bank and in hand		404	1,985
		<u>1,925</u>	<u>2,771</u>
CREDITORS amounts falling due within one year	10	(5,223)	(4,461)
NET CURRENT LIABILITIES		<u>(3,298)</u>	<u>(1,690)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,969</u>	<u>3,890</u>
NET ASSETS		<u>3,969</u>	<u>3,890</u>
EQUITY SHARE CAPITAL AND RESERVES			
Called up share capital	12	16	18
Share premium account	13	3,935	3,782
Capital redemption reserve	13	5	3
Share based payment reserve	13	5	5
Exchange Reserves	13	(73)	(29)
Profit and loss account	13	81	111
SHAREHOLDERS' FUNDS		<u>3,969</u>	<u>3,890</u>

The financial statements were approved and authorised for issue by the Board on 19th January 2012



M Holland
Director



P La Brooy
Director

Financial Express (Holdings) Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 September 2011'

	<i>Notes</i>	2011 £'000	2010 £'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	<i>16(a)</i>	2,281	1,924
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		68	57
TAXATION			
U K Corporation tax paid		(451)	(270)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	<i>16(c)</i>	(581)	(284)
AQUISITIONS AND DISPOSALS			
Payment to acquire investment in associate		(1,501)	-
EQUITY DIVIDENDS PAID		-	(720)
Cash (outflow)/inflow before financing		<u>(184)</u>	<u>707</u>
FINANCING	<i>16 (d)</i>	(1,393)	72
(Loss)/Returns from joint venture		(8)	17
Exchange Differences		(112)	45
(DECREASE)/INCREASE IN CASH AT BANK		<u>(1,697)</u>	<u>841</u>

Financial Express (Holdings) Limited

ACCOUNTING POLICIES

for the year ended 30 September 2011

ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards

GOING CONCERN

After making reasonable enquiries, the board of directors consider that the group has adequate resources to continue its operations for the foreseeable future and therefore these financial statements have been prepared on a going concern basis

BASIS OF CONSOLIDATION

The Group accounts consolidate the financial statements of the company and all its subsidiary undertakings. Intra-group profits are eliminated on consolidation. Profits and losses of companies entering or leaving the group are included from the date of acquisition or up to the date of disposal. The net assets of subsidiaries acquired are included on the basis of their fair value at the date of acquisition being the date on which control passes.

ASSOCIATED UNDERTAKINGS

Undertakings in which the group has a participating interest and over which it exerts significant influence are defined as associated undertakings. The financial statements include the appropriate share of the results and reserves of these undertakings using the equity method based on audited financial statements to 30 September.

JOINT VENTURES

Undertakings in which the group has a long term interest and shares control under a contractual arrangement are defined as joint ventures. Joint ventures are accounted for using the gross equity method.

GOODWILL

Purchased goodwill is capitalised and amortised over its estimated useful economic life, which the directors have estimated as being twenty years.

TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Databases	20% on cost
Portable computer equipment	33% on cost
Computer equipment	25% on cost
Fixtures, fittings & equipment	25% on cost
Motor vehicles	25% on cost
Leasehold improvements	over life of the lease

Any assets which are impaired in value, as measured by usage or by reference to the income that can be generated, are written down to their estimated impaired value.

INTANGIBLE FIXED ASSETS AND AMORTISATION

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Data Histories	20% on cost
----------------	-------------

Any assets which are impaired in value, as measured by usage or by reference to the income that can be generated, are written down to their estimated impaired value.

INVESTMENTS

Investments in the company's balance sheet are stated at cost, less any provision for impairments.

Financial Express (Holdings) Limited

ACCOUNTING POLICIES

for the year ended 30 September 2011

TURNOVER

Revenue is derived from the provision of financial information and related software. Recurring revenues are recognised net of VAT over the period the services are provided, once a signed contract is in place, the recoverability of the debt is reasonably assured and the arrangement is fixed or determinable.

LEASED ASSETS AND OBLIGATIONS

The annual rentals of operating leases are charged to profit and loss on a straight line basis over the lease term.

DEVELOPMENT EXPENDITURE

Development expenditure is written off to the profit and loss account in the year in which it is incurred.

DEFERRED TAXATION

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.

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

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Assets, liabilities, and results of overseas subsidiaries are translated at the rate ruling at the balance sheet date. Exchange differences arising are dealt with through reserves.

DEFINED CONTRIBUTION PENSION SCHEME

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

SHARE BASED PAYMENTS

The Group issues equity-settled share-based payments to certain employees, which are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The fair value is measured by use of the Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

GOVERNMENT GRANTS

Government grants of a revenue nature are credited to income in the period in which they relate.

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

1 TURNOVER

Turnover is wholly attributable to the principal activity of the group

	2011 £'000	2010 £'000
Analysis of turnover by geographical destination		
United Kingdom	14,489	12,296
Rest of Europe	591	562
Rest of World	682	526
	<u>15,762</u>	<u>13,384</u>

2 OPERATING PROFIT

Operating profit is stated after (crediting)/charging

	2011 £'000	2010 £'000
Depreciation of tangible assets	327	260
Amortisation of goodwill	233	233
Audit Services		
- Statutory audit of parent and consolidated accounts	21	16
- Audit of subsidiaries where such services are provided by Baker Tilly or its associates	22	22
Operating leases		
- land and buildings	743	626
Government grants receivable	(33)	-
Foreign exchange (Gain)/Loss	(44)	105
	<u></u>	<u></u>

3 DIRECTORS AND EMPLOYEES

Staff costs including directors' emoluments

	2011 £'000	2010 £'000
Wages and salaries	7,842	6,632
Social security costs	708	573
Other pension costs	465	407
Share based payment	-	1
	<u>9,015</u>	<u>7,613</u>

Average number employed including executive directors

	Number	Number
Sales	30	25
Other	243	204
	<u>273</u>	<u>229</u>

Directors' emoluments (including pension contributions)

	£'000	£'000
Emoluments	762	875

Fees paid to third party in respect of directors' services

	£'000	£'000
	18	18

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

4 DIRECTORS AND EMPLOYEES (continued)

The emoluments of the highest paid director was £303,226 (2010 £352,423) and pension contributions in respect of the director to the defined contribution scheme were £Nil (2010 £Nil) During the year, the group made pension contributions for two directors and contributions paid amounted to £48,172 (2010 – 2 directors £48,172)

The highest paid director does not hold any share options thus none were exercised in the year (2010 Nil)

PENSION COSTS - DEFINED CONTRIBUTION SCHEME

The group operated a defined contribution scheme The assets of the scheme are held separately from those of the company in an independently administered fund The pension cost charge represents contributions payable by the company to the fund and amounted to £455,773 (2010 - £388,076)

5 TAXATION	2011 £'000	2010 £'000
<i>Analysis of charge in the period</i>		
Current tax - UK corporation tax on profits for the period	318	407
Foreign Taxation	62	57
	<u>380</u>	<u>464</u>
Deferred tax – origination and reversal of timing differences	(3)	(3)
	<u>377</u>	<u>461</u>
<i>Factors affecting tax charge in the period</i>		
Profit on ordinary activities before taxation	1,272	1,501
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27% (2010 - 28%)	343	420
Expenses not deductible for tax purposes (primarily amortisation)	49	108
Depreciation in excess of capital allowances	(8)	(1)
Share Scheme Deduction	(27)	(26)
Group Relief	(4)	(5)
Foreign Tax	46	(33)
Short Term Timing differences and other deductions in period	(19)	1
	<u>380</u>	<u>464</u>
Current tax charge	380	464

Factors that may affect future tax charges

The only factor that may affect future tax charges is anticipated to be the potential utilisation of losses carried forward, to the extent that they have not already been recognised as deferred tax assets

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2011

6 FIXED ASSET INVESTMENTS

	Associated Undertakings £'000
GROUP	
Share of net assets	
1 October 2010	-
Additions	1,501
Share of retained profit for the year	75
Disposals	-
30 September 2011	<u>1,576</u>
COMPANY	£'000
Cost of unlisted shares in unlisted subsidiaries and associates	
1 October 2010	5,169
Additions	1,508
30 September 2011	<u>6,677</u>

Details of the investments in which the group and company (unless indicated) holds 20% or more of the nominal value of any classes of share capital are as follows

	Place of Incorporation	Percentage Holding	Principal Activity
Financial Express Limited	England & Wales	100%	Financial Information Services
Trustnet Limited	England & Wales	100%	Financial Information Services
UK-Wire Limited	England & Wales	100%	Dormant
Global Funds Registration Limited	England & Wales	50%	Fund Registration Services
Financial Express International Limited	Jersey	100%	Consultancy
Fedby Information Services Private Limited	India	100%	Financial Information Services
eValue FE Ltd	England & Wales	40%	Financial Information Services

JOINT VENTURE

In 2007 the company invested £5,000 for 50% of the ordinary share capital of Global Funds Registrations Limited – ("GFR") in which it shares joint control with Technical Fund Marketing Limited. GFR provides the service of registering investment funds in all countries in which they wish to operate.

GFR generated £495,257 of turnover for the year to 30 September 2011 (2010 £237,502) of which £248,120 (2010 £118,751) has been recognised in the group accounts under the gross equity method. An operating loss of £8,142 has been recognised in the consolidated profit and loss account as Financial Express (Holdings) Limited's share of GFR's loss to 30 September 2011 (2010 profits of £16,562).

As at 30 September 2011, GFR had net liabilities of £127,633 (2010 £111,266).

The intercompany debtor between the parent company and the joint venture amounts to £108,495 (2010 £60,592).

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

ASSOCIATED COMPANY

In January 2011, the company purchased 40% of the issued ordinary shares and 50% of the issued preference shares of eValue FE Ltd for £1.5m. The preference shares can be redeemed as from 1st January 2013 in instalments until 1st April 2015.

The turnover for 8 months to 30th September 2011 for eValue FE was £2,830,600, with a profit before tax of £180,798. Taxation was a rebate of £13,004. The company held fixed assets totalling £1,942,206, with current assets totalling £4,422,103. Creditors falling due within one year were £1,577,345, and falling after one year £4,592,133.

7	INTANGIBLE FIXED ASSETS	Data Histories £'000	Goodwill £'000	Total £'000
	GROUP			
	Cost			
	At 30 September 2010	170	4,644	4,814
	Additions	5	-	5
	At 30 September 2011	175	4,644	4,819
	Amortisation			
	At 30 September 2010	127	1,914	2,041
	Charge for the year	11	233	244
	At 30 September 2011	138	2,147	2,285
	Net book value			
	At 30 September 2011	37	2,497	2,534
	At 30 September 2010	43	2,730	2,773

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

8	TANGIBLE FIXED ASSETS				
	GROUP	Computer equipment & software £'000	Fixtures, fittings and equipment £'000	Leasehold Improvements £'000	Total £'000
	Cost				
	At 30 September 2010	1,112	170	152	1,434
	Foreign exchange rate movements	(36)	(3)	(2)	(41)
	Additions	416	112	48	576
	Disposals	(20)	(7)	(30)	(57)
	At 30 September 2011	1,472	272	168	1,912
	Depreciation				
	At 30 September 2010	666	135	116	917
	Foreign exchange rate movements	(22)	(4)	(5)	(31)
	Charge for the year	270	26	20	316
	On disposals	(21)	(7)	(30)	(58)
	At 30 September 2011	893	150	101	1,144
	Net book value				
	At 30 September 2011	579	122	67	768
	At 30 September 2010	446	35	36	517
	COMPANY	Computer equipment & software £'000	Fixtures, fittings and equipment £'000	Leasehold improvements £'000	Total £'000
	Cost				
	At 30 September 2010	768	89	152	1,009
	Additions	313	54	48	415
	Disposals	(21)	(7)	(30)	(58)
	At 30 September 2011	1,060	136	170	1,366
	Depreciation				
	At 30 September 2010	422	61	115	598
	Charge for the year	203	13	20	236
	Disposals	(21)	(7)	(30)	(58)
	At 30 September 2011	604	67	105	776
	Net book value				
	At 30 September 2011	456	69	65	590
	At 30 September 2010	346	28	37	411

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

9 DEBTORS amounts falling within one year

	GROUP		COMPANY	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Trade debtors	3,693	3,529	242	188
Amounts due from joint venture	51	11	108	61
Other debtors	602	584	718	284
Prepayments and accrued income	932	529	459	253
	<u>5,278</u>	<u>4,653</u>	<u>1,527</u>	<u>786</u>

Other debtors of the group includes a deferred tax asset of £42,013 (2010 £45,882) (see note 11) that is anticipated to be reversed to the profit and loss account over the next three years

Included within other debtors of the company is a deferred tax asset of £28,754 (2010 £34,511) (see note 11) that is anticipated to be reversed over the next three years to the profit and loss account

Also included within other debtors are interest bearing loans of £99,594 (2010 £58,925) to staff members for the exercise of options and the purchase of shares in Financial Express (Holdings) Limited

10 CREDITORS amounts falling due within one year

	GROUP		COMPANY	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Trade creditors	513	270	324	205
Amounts owed to subsidiary undertakings	-	-	3,264	2,923
Corporation tax	339	417	93	59
Other taxes and social security	624	659	182	150
Other creditors	151	183	37	53
Accruals and deferred income	7,182	6,145	1,323	1,071
	<u>8,809</u>	<u>7,674</u>	<u>5,223</u>	<u>4,461</u>

In relation to the defined contribution scheme and included within other creditors, the group and company had outstanding contributions of £43,241 (2010 £37,577)

11 DEFERRED TAX

	GROUP		COMPANY	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Corporation tax deferred by				
Accelerated capital allowances	(21)	(31)	(13)	(20)
Other items	(21)	(15)	(16)	(15)
Tax losses carried forward	-	-	-	-
	<u>(42)</u>	<u>(46)</u>	<u>(29)</u>	<u>(35)</u>

The potential asset has been calculated on a corporation tax rate of 27% (2010 28%)

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

11 DEFERRED TAX (continued)

Deferred tax – movement in the year

	GROUP		COMPANY	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
At 30 September 2010	(46)	(43)	(22)	(28)
Charge/(Credit) to the profit and loss account	4	(3)	(7)	6
At 30 September 2011	(42)	(46)	(29)	(22)

12 SHARE CAPITAL

GROUP AND COMPANY

Authorised

9,700,000 'A' ordinary shares of 1p each

200,000 'B' ordinary shares of 1p each

100,000 'C' ordinary shares of 1p each

Allotted, called up and fully paid

1,547,673 'A' ordinary shares of 1p each (2010 1,689,875)

94,870 'B' ordinary shares of 1p each (2010 80,305)

	2011 £	2010 £
9,700,000 'A' ordinary shares of 1p each	97,000	98,000
200,000 'B' ordinary shares of 1p each	2,000	2,000
100,000 'C' ordinary shares of 1p each	1,000	-
	100,000	100,000
Allotted, called up and fully paid		
1,547,673 'A' ordinary shares of 1p each (2010 1,689,875)	15,477	16,899
94,870 'B' ordinary shares of 1p each (2010 80,305)	949	803
	16,426	17,702

The 'B' ordinary shareholders are not entitled to vote in general meetings but in all other respects, the shares rank pari passu with the 'A' ordinary shares. The 'C' ordinary shares are entitled to vote, but do not qualify for dividends or capital distributions until the company is worth more than £100 million. No 'C' ordinary shares had been issued at 30th September 2011.

During the year Financial Express (Holdings) Limited re-purchased 142,202 'A' and 10,776 'B' ordinary shares for a total consideration of £1,545,613. Also, during the year 15,891 'B' ordinary shares were issued to staff under the share option scheme and 9,450 'B' ordinary shares were purchased by staff for total consideration of £153,947.

Share options over 'B' ordinary shares

The company had granted options under an EMI approved scheme as follows

Issue Date	30 September 2010	Number of Options Exercised in year	Granted in year	Lapsed	30 September 2011	Exercise Price
28/02/01	12,444	(12,444)	-	-	-	387 38p
13/03/03	40,369	(346)	-	-	40,023	249 74p
27/07/04	5,408	(350)	-	-	5,058	318 00p
22/05/07	25,450	(2,250)	-	-	23,200	289 04p
01/10/09	6,500	-	-	-	6,500	515 00p

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

12 SHARE CAPITAL (continued)

The Group plan provides for a grant price equal to the average market price of the Group shares on the date of grant. The vesting period is generally 3 to 5 years. If options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited if the employee leaves the Group before the options vest.

The inputs into the Binomial model were as follows:

Issue of options	Share price £	Volatility	Expected life	Dividend rate
28/02/01	0.63	25%	3 years	0%
13/03/03	2.50	25%	3 years	3.2%
27/07/04	3.18	25%	3 years	7.8%
22/05/07	2.83	25%	3 years	6.3%
01/10/09	5.15	40%	5 years	6.5%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous 5 years. 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 Group recognised total expense of £nil (2010: £359) relating to equity-settled share-based payment transaction.

No share based payment charge has been charged in respect of the 6,500 options issued October 2009. The fair value of the options issued was estimated to be in the region of £8,000 - £17,500 which would have resulted in a charge for the year between £2,650 and £5,850.

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

13 STATEMENT OF MOVEMENTS ON RESERVES

GROUP	Capital redemption reserve £'000	Share premium account £'000	Share based payment £'000	Exchange Reserves £'000	Profit and loss account £'000
Balance at 30 September 2010	3	3,782	5	74	942
Profit for the year	-	-	-	-	895
Dividend	-	-	-	-	-
Repurchase of shares	2	-	-	-	(1,546)
Shares issued in year	-	153	-	-	-
Other movements	-	-	-	(121)	-
Balance at 30 September 2011	5	3,935	5	(47)	291
COMPANY					
Balance at 30 September 2010	3	3,782	5	(29)	111
Profit for the year	-	-	-	-	1,534
Dividend	-	-	-	-	-
Repurchase of shares	2	-	-	-	(1,546)
Shares issued in year	-	153	-	-	-
Other movements	-	-	-	(44)	(18)
Balance at 30 September 2011	5	3,935	5	(73)	81

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account. Details of the purchase of shares is set out in note 12.

14 RECONCILIATION IN MOVEMENT IN SHAREHOLDERS' FUNDS – GROUP

	2011 £'000	2010 £'000
Profit after tax for the year	895	1,040
Exchange Differences	(121)	50
Equity dividends	-	(720)
Repurchase of shares	(1,546)	(20)
Issue of shares	153	92
Net addition/(reduction) to shareholders' funds	(619)	442
Shareholders' funds as at 30 September 2010	4,824	4,382
Shareholders' funds as at 30 September 2011	4,205	4,824

15 DIVIDENDS

	2011 £'000	2010 £'000
1 st Interim - A ordinary shares 0 pence per share (2010 20 6 p)	-	348
- B ordinary shares 0 pence per share (2010 20 6 p)	-	12
2 nd Interim - A ordinary shares 0 pence per share (2010 20 6p)	-	348
- B ordinary shares 0 pence per share (2010 20 6p)	-	12
	-	720

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

16 CASH FLOW STATEMENT

(a)	Reconciliation of operating profit to net cash inflow from operating activities	2011 £'000	2010 £'000
	Operating profit	1,137	1,427
	Depreciation and amortisation charges	560	494
	Increase in debtors	(629)	(622)
	Increase in creditors	1,213	625
	Net cash inflow from operating activities	<u>2,281</u>	<u>1,924</u>
(b)	Reconciliation of net cash flow to movement in net funds	2011 £'000	2010 £'000
	(Decrease)/Increase in cash in the period	(1,697)	841
	Movement in net funds in the period	<u>(1,697)</u>	<u>841</u>
	Net funds at 1 October 2010	4,555	3,714
	Net funds at 30 September 2011	<u>2,858</u>	<u>4,555</u>
(c)	Capital Expenditure	2011 £'000	2010 £'000
	Payment to acquire tangible fixed asset	(576)	(284)
	Payment to acquire intangible fixed assets	(5)	-
	Net outflow for capital expenditure	<u>(581)</u>	<u>(284)</u>
(d)	Financing	2011 £'000	2010 £'000
	Issue of ordinary share capital	153	92
	Repurchase of own shares	(1,546)	(20)
	Net outflow for financing	<u>(1,393)</u>	<u>72</u>

Financial Express (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2011

16 CASH FLOW STATEMENT (*continued*)

(e) Analysis of changes in net funds	At 30 September 2010 £'000	Cash flow £'000	At 30 September 2011 £'000
Cash at bank and in hand	4,555	(1,697)	2,858
Net funds	<u>4,555</u>	<u>(1,697)</u>	<u>2,858</u>

17 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

As at 30 September 2011, the annual financial commitments under non-cancellable operating leases as set out below

	GROUP		COMPANY	
	2011 Land and buildings £'000	2010 Land and buildings £'000	2011 Land and buildings £'000	2010 Land and buildings £'000
Expiring				
Less than one year	280	256	140	67
Within two to five years	191	253	191	228
After five years	275	-	275	-
	<u>746</u>	<u>509</u>	<u>606</u>	<u>295</u>

The company is a member of a VAT group and the net potential liability under the group registration as of 30 September 2011 was £445,616 (2010 £507,985)

18 CAPITAL COMMITMENTS

During the year, Financial Express (Holdings) Ltd had committed £134,000 (2010 £58,000) towards capital expenditure

19 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under paragraph 3(c) of Financial Report Standard 8 Related party disclosures and therefore does not disclose transactions with its subsidiary companies

During the year, dividends were paid to the directors as detailed below

	2011 £	2010 £
M Holland	-	193,620
A R B Ward	-	68,787
P W La Brooy	-	22,012
D Timberlake	-	29,147
B Graap	-	68,790